

CH2M HILL HANFORD GROUP, INC.
SAMPLE
CONTRACT SIGNATURE DOCUMENT

Contract No.

THIS CONTRACT IS entered into, effective as of XXXXX, 2004, by and between CH2M HILL Hanford Group, Inc. (CHM2) (hereinafter referred to as "Company"), whose address is

P.O. Box 1500
Richland, Washington 99352-1505

And, XXXXXXXXXXXXXXXXXXXX (hereinafter referred to as "Contractor"), whose address is:

XXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXX

In consideration of the agreements herein contained, the parties hereto contract and agree as follows:

ARTICLE 1.0 CONTRACT DOCUMENTS. This Contract and agreement shall consist of this Signature Document and the following documents, and the exhibits, drawings, specifications and documents referred therein, all of which by this reference are incorporated and made a part of this Contract Release.

PART I - SCOPE OF WORK
PART II- COMMERCIAL TERMS
PART III- GENERAL PROVISIONS
PART IV- SPECIAL PROVISIONS

Said Contract sets forth the entire Contract and agreement between the parties pertaining to said Work and supersedes all inquiries, proposals, agreements, negotiations and commitments, whether written or oral relative to the solicitation prior to the date of execution of this Contract. Only a writing executed by the parties to this Contract may change the provisions of this Contract. Trade custom or trade usages are superseded by this Contract and shall not be applicable in the interpretation of performance of this Contract.

ARTICLE 2.0 SCOPE OF WORK. Except as otherwise expressly provided elsewhere in this Contract, Contractor shall supply all services, things, and items of expense necessary to perform, and shall perform the following Work:

Integrated Disposal Facility (IDF) Project; Schedule B - Landfill Construction

said Work being more particularly described in PART I, SCOPE OF WORK (herein referred to as "Work"), for or in connection with Owner's facility, said Work to be performed in the 200 area of the Hanford Site in the vicinity of Richland, Washington as well as in the Contractor's Facilities.

ARTICLE 3.0 CONTRACT PRICE. Contractor's full compensation for full and complete performance by Contractor of all the Work and compliance with all terms and conditions of this Contract shall be as set forth in PART II, COMMERCIAL TERMS.

ARTICLE 4.0 CAPTIONS. Titles and captions used in this Contract are for convenience only and shall not be used in the interpretation of any of the provisions of this Contract Release.

ARTICLE 5.0 NOTICES. All notices, requests, demands, and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if personally served or five (5) days after deposit in the United States mail, postage prepaid, certified, and addressed as follows:

CONTRACTOR XXX
XXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXX
Attention: XXXXXXXX

CH2M HILL Hanford Group, Inc.
P.O. Box 1500
Richland, Washington 99352-1505
Attention: **T. J. Parkes, MSIN: R3-79**

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day and year below written, but effective as of the day and year first set forth above.

XXXXXXXXXXXXXXXX

CH2M HILL HANFORD GROUP, INC.

By_____

By_____

Title_____

Title_____

Date_____

Date_____

Contract No. Sample

PART I

SCOPE OF WORK

1.0 DESCRIPTION OF WORK – GENERAL

Except as otherwise expressly provided herein, Contractor shall supply all adequate and competent labor, supervision, tools, equipment, installed and consumable materials, services, and each and every item of expense necessary for the design, engineering, supply, fabrication, field erection, construction, assembly, testing, evaluation, and quality assurance to provide landfill construction for the Integrated Disposal Facility (IDF) Project hereinafter called the Work.

2.0 SPECIFICATIONS, DRAWINGS, ATTACHMENTS AND EXHIBITS

All Work shall be performed in strict accordance with the following described specifications, drawings, attachments and exhibits, which by this reference are made a part hereof.

2.1 Specifications

2.1.1 Statement of Work (SOW): Statement of Work for Construction, Requisition #109793 Integrated Disposal Facility, (IDF) Project; Schedule B - Landfill Construction, Revision 0, dated March 23, 2004

2.1.2 Other Specification

Specification No.

As identified in SOW, Division 1, Section 01010

2.2 Drawings

Drawing No.

As identified in SOW, Division 1, Section 01010

PART I

SCOPE OF WORK

2.3 Attachments

- A. Integrated Disposal Facility (IDF) Detailed Design:
 Construction Inspection Plan, RPP-18490, Rev. 0

2.4 Exhibits - Reserved

3.0 DESCRIPTION OF WORK - SPECIFIC

The Work described in Articles 1.0 and 2.0 of this PART I shall include, but not be limited to the following: As detailed in SOW, Division 1, Section 01010

4.0 PERFORMANCE SCHEDULE

Contractor shall commence performance of the Work ten (10) days after contract award and complete the work within 440 calendar days after contract award unless the performance time is extended by mutual agreement. Interim Milestone delivery/completion requirements are as follows:

- 4.1 Interim Milestone No. 001 - IDF Site Preparation and Road Construction -
 Required Completion Date: September 15, 2004
- 4.2 Interim Milestone No. 002 - IDF Trench (Landfill Cell No. 01 & No. 02);
 excavation to sub grade- Required Completion Date: December 15, 2004

5.0 COMMUNICATIONS

All communications pursuant to or in connection with this Contract shall be identified by Company's Contract Number and shall be communicated as set forth below:

5.1 Contractual Notices

All contractual notices given under this Contract shall be sufficient if in writing and delivered in person to an officer of the party to be notified, or sent to the party to be notified, addressed as set forth below, by registered mail, telex, facsimile or cable. Telexes, facsimiles and cables must be confirmed in writing within three (3) days thereafter.

Contractual notices to Company shall be addressed to Company's Address set forth herein and marked Attn: T. J. Parkes, MSIN R3-79

Contractual notices to Contractor shall be addressed to Contractor's Address set forth herein marked Attn:

PART II

COMMERCIAL TERMS
(Firm Fixed Price)

1.0 CONTRACT PRICE

- 1.1 Full compensation to Contractor for full and complete performance by Contractor of all the Work, compliance with all terms and conditions of this Contract, and for Contractor's payment of all obligations incurred in, or applicable to, performance of the Work shall be the Firm Fixed Price of

_____. (Insert written amount).

Firm Fixed Price \$_____

1.2 Bond Cost Adjustment Rate

The cost of the payment and performance bonds included in 1.1 above shall be adjusted at the rates set forth below for CH2M HILL-authorized increases to, and decreases from, the Firm Fixed Price.

- a. Firm Performance Bond Rate: _____ Dollars
(\$_____) per one thousand dollars.
- b. Firm Payment Bond Rate: _____ Dollars
(\$_____) per one thousand dollars.

1.3 Price Adjustments for Delivery Performance

- 1.3.1 Completion of contract Interim Milestones and Contract Work Completion are of the utmost importance to CH2M HILL. Time is of the essence. Therefore, Contractor agrees as follows:

The required completion dates for Interim Milestones No. 001 and 002 and Contract Work Completion are as specified in PART I, Article 4.0 of the Contract. Work scope of each milestone is defined in the Statement of Work, Section 01010, Paragraph 1.6. The definition of completion and required documentation is as defined below.

- **Interim Milestone No. 001:** If Contractor achieves completion of Interim Milestone No. 001 on or before the required completion date progress payment retention as provided in 5.0 below will be waived by CH2M HILL for the progress payments determined to be applicable to Milestone No. 001 work scope. Retention will be invoked for subsequent work.

Completion of Interim Milestone No. 001 shall be defined as completion of all field work associated with Interim Milestone No. 001, as defined in Section 01010 of the SOW, including completion of all outstanding Exception List (Punch list) Items, within Contractor's control, identified during the Interim Milestone No. 001 Construction Completion Document (CCD) walk-down to be conducted by Contractor and Company, and all closeout documentation, including transmittal to Company of completed project record documents and all inspection test reports. Contractor shall submit final survey report indicating the as-built line and grade consistent with control points identified in Section 01010 of the SOW associated with Interim Milestone No. 001.

- **Interim Milestone No. 002:** If Contractor achieves completion of Interim Milestone No. 002 prior to the required completion date CH2M HILL will increase the Contract Price \$5,000 per day for each day prior to the required completion date up to a maximum of \$100,000. Conversely, if Contractor fails to achieve completion of Interim Milestone 002 on or before the required completion date CH2M HILL will decrease the Contract Price \$5,000 per day for each day after the required completion date up to a maximum of \$100,000.

Completion of Interim Milestone No. 002 shall be defined as completion of all field work associated with Interim Milestone No. 002, as defined in Section 01010 of the SOW, including completion of all outstanding Exception List (punch list) Items, within Contractor's control, identified during the Interim Milestone No. 002 Construction Completion Document (CCD) walk-down to be conducted by Contractor and Company, and all closeout documentation, including transmittal to Company of completed project record documents and all inspection test reports. Contractor shall submit final survey report indicating the as-built line and grade consistent with control points identified in Section 01010 of the SOW associated with Interim Milestone No. 002.

After successful completion of Interim Milestone 002, retention withheld applicable to Milestone No. 002 work scope will be released upon receipt of an appropriate invoice. Retention will be invoked for subsequent work.

- **Contract Work Completion:** If Contractor achieves contract work completion on or before the required completion date CH2M HILL will increase the Contract Price by \$10,000 per day for each day prior to the required completion date up to a maximum of \$200,000. Conversely, if Contractor fails to achieve contract work completion on or before the required completion date CH2M HILL will decrease the Contract Price by \$10,000 per day for each day after the required completion date up to a maximum of \$200,000.

Completion of Contract shall be defined as completion of all field work associated with Project Completion Milestone, as defined in Section 01010 of the SOW, including completion of all outstanding Exception List (Punch list) Items, within Contractor's control, identified during the Project Construction Completion Document (CCD) walk-down to be conducted by Contractor and Company, and all closeout documentation, including transmittal to Company of completed project record documents and all inspection test reports. Contractor shall complete the requirements of Part III of the Contract; Article 4.28 "Notice of Completion and Final Acceptance" to successfully complete the requirements of Project Completion Milestone identified in Section 01010 of the SOW.

- 1.3.2 If performance is delayed beyond the periods of time stated herein, the CH2M HILL may terminate this contract in whole or in part in accordance with Construction General Provisions, Clause 6.9.2, Termination for Default. In the event the contract is terminated for default, the withheld amounts set forth in (a) shall be in addition to excess costs under the Termination for Default clause.

Contractor shall not be charged with amounts set forth in (a) when the delay in delivery or performance arises out of causes beyond the control and without the fault or negligence of the Contractor as defined in this contract under Construction General, Clause 6.9.2, Termination for Default.

Contractor agrees that the determination as to the amount earned/forfeited will be made by the Buyer and such determination concerning the amounts is binding on both parties and shall not be subject to appeal under the "Disputes" clause or to any other appeal clause.

2.0 PRICING BASIS

The Contract Price set forth herein is firm for the duration of the Work and includes all Contractor's costs, expenses, overhead and profit for complete performance of the Work.

3.0 PRICING FOR CHANGES

Adjustments to the Contract Price for any change in the Scope of Work shall be in accordance with the requirements of the attached Construction General Provisions, Article 5.1.

3.1 Subcontracts

- 3.1.1 All subcontracts and services provided by others for performance of

changes or extra work requested by CH2M HILL, which have not been objected to by CH2M HILL shall be at actual cost to Contractor of such subcontracts or services provided by others (not to exceed such subcontract price) plus a mark-up, for all profit and overhead expense of Contractor thereon which shall not exceed _____.

3.1.2 Contractor's invoices for work performed by any of Contractor's subcontractors may include an allowance for the subcontractor's overhead and profit of _____%.

3.1.3 In no instance shall the mark-ups or rates for changes provided by a subcontractor to Contractor exceed the mark-ups or rates for changes as stipulated in this Article 3.0.

3.2 Materials

3.2.1 Compensation to Contractor for materials supplied by Contractor for incorporation into the permanent facility (excluding consumable, expendable, and small tools) which cost Contractor less than \$_____ per tool shall be at actual invoiced cost to Contractor, including transportation to site, as substantiated by invoices certified paid or by such documentation as may be required by CH2M HILL, plus a mark-up, for all profit and overhead expense of Contractor thereon, of _____%.

3.2.2 CH2M HILL reserves the right to provide, at no cost to Contractor, materials, equipment, services, supplies or incidentals required to perform the Work. All refunds, trade discounts, rebates on materials, supplies and services, and all monies obtained from disposal of surplus materials or supplies shall accrue to Owner.

3.3 Labor

Compensation to Contractor for construction labor, related costs and profit shall be in accordance with the rates set forth in a Rate Schedule "A" entitled: ALL INCLUSIVE LABOR RATES attached and incorporated herein.

3.4 Equipment Rental

3.4.1 Equipment rental rates as set forth in a Rate Schedule "B" attached and incorporated herein shall apply for equipment used for extra work requested by CH2M HILL.

3.4.2 For equipment which is specifically mobilized to the jobsite for extra work, Contractor shall separately identify such transportation costs (including: loading, off-loading, assembly and disassembly) when submitting proposals to CH2M HILL for performing extra work. Transportation costs shall not be

applicable to equipment already mobilized on the site.

3.4.3 When Contractor's equipment does not resemble the equipment having rental rates listed in Rate Schedule "B" for extra work, the rental rate shall be negotiated and agreed upon in writing by CH2M HILL.

3.4.4 Compensation to Contractor for equipment used for extra work which is rented from third parties and does not resemble the equipment having rental rates listed in Rate Schedule "B", must be approved by CH2M HILL in writing prior to rental and shall be at actual cost to Contractor, including transportation to site, as substantiated by invoices certified paid or by such documentation as may be required by CH2M HILL plus a mark-up, for all profit and overhead expense of Contractor thereon, of _____%.

4.0 LIMITATION OF FUNDING CLAUSE

As set forth in PART IV of the Contract.

5.0 PROGRESS PAYMENTS AND RETENTION

Except as provided in 1.3 above and in accordance with Article 3.2 Progress Payments of the Construction General Provisions, CH2M HILL will retain 10 percent of the approved estimated amount until final completion and acceptance of Subcontract work or otherwise determined pursuant to the Progress Payments article.

6.0 NOTICE PRIOR TO PLACEMENT OF MAJOR PROCUREMENTS AND SUBCONTRACTS

Contractor shall notify CH2M Hill fifteen (15) calendar days prior to scheduled placement of orders for materials, equipment, or subcontracts in excess of \$250,000 providing the following information:

- Name and address of supplier/subcontractor
- Purchase order/subcontract amount
- Brief description of deliverables
- Delivery date
- Estimated termination liability schedule for the term of the purchase order/subcontract.

PART III

GENERAL TERMS

Except as specifically changed in these Contract Release documents, general terms are as set forth in CH2M Hill Hanford Group, Inc., Construction General Provisions, Firm Fixed Price Contract Type, January 26, 2004, Rev. 3 incorporated herein by reference. This document is available at the following Web Site: <http://www.hanford.gov/chgcp/>

CH2M HILL HANFORD GROUP, INC
CONSTRUCTION GENERAL PROVISIONS
Firm Fixed Price Contract Type

January 26, 2004
Rev. 3

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SUBCONTRACT FLOW-DOWN REQUIREMENTS

SUBCONTRACTOR shall bind all lower-tier subcontractors, regardless of tier level, to the provisions of this Subcontract where indicated with an asterisk (*) as a required flow-down or as stated in the clause text.

DEFINITIONS

Whenever used in this document, the following definitions shall be applicable unless the content indicates otherwise.

BTR – The term BTR refers to the Buyer's Technical Representative

Buyer – The term Buyer means the CH2M HILL Hanford Group, Inc. (CH2M HILL) designated Contract Administrator or Procurement Representative.

Government – the term Government shall mean the United States of America and includes the U.S. Department of Energy (DOE) or any duly authorized representative thereof, including the Contracting Officer.

Lower-Tier Subcontractors - the term "lower-tier subcontract" includes purchase orders and rental agreements for materials or equipment, and other services not performed by the SUBCONTRACTOR under this Subcontract agreement.

Other Direct Costs (ODC) - The term Other Direct Costs shall mean equipment, components, parts, materials, and subcontracted labor to be provided by SUBCONTRACTOR and its sub-tier subcontractors pursuant to this Subcontract.

SUBCONTRACTOR – The term SUBCONTRACTOR means the individual or entity that has entered into this Subcontract with CH2M HILL.

Subcontract – The term Subcontract shall mean this Subcontract between CH2M HILL and SUBCONTRACTOR. This will also include task orders and releases under the Subcontract.

Services – The term Services shall mean labor, direction of labor, production of technical information, consulting services or any other services furnished by SUBCONTRACTOR and its lower-tier subcontractors under this Subcontract.

CH2M HILL HANFORD GROUP, INC
CONSTRUCTION GENERAL PROVISIONS
Firm Fixed Price Contract Type

January 26, 2004

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ARTICLE 1.0 SUBCONTRACT TYPE

This a Firm Fixed Price Contract, which provides a price that is not subject to any adjustment on the basis of the cost experience in performing the Subcontract, unless a supportable change request is incorporated per the provisions of this Subcontract agreement. This Subcontract places full responsibility upon the SUBCONTRACTOR for all costs and resulting profit or loss.

ARTICLE 2.0 ORDER OF PRECEDENCE

In the event of a discrepancy among any of the Subcontract terms, conditions, clauses, provisions, written direction and instructions, and documents (collectively, the 'Subcontract'), the following order of precedence shall govern resolution: (i) CH2M HILL's written Subcontract/Purchase Order, modifications/amendments, direction, and instructions; (ii) Special Provisions (iii) General Provisions, (iv) Statement of Work, (v) Technical Instructions, including drawings, exhibits and attachments, and applicable standards; and (vi) other documents identified as being part of the Subcontract. Nothing recited above shall be construed as superseding or deleting any applicable statute, rule, ordinance, or regulation (collectively, the 'Laws'). In the event of a conflict with Laws, the specific conflicting term of the Subcontract shall be considered null and without effect, and Laws shall govern. All remaining terms unaffected by said Laws should continue in force.

ARTICLE 3.0 TERMS OF PAYMENT

3.1 General Invoice Requirements

SUBCONTRACTOR shall prepare all invoices in a form satisfactory to and approved by CH2M HILL. Except to the extent expressly stated elsewhere in this Subcontract, the invoice is payable thirty (30) calendar days after receipt by CH2M HILL of a proper invoice. All unit pricing and payments made shall be in United States dollars only, in the forms of cash, check or electronic transfer as may be agreed upon.

For all Submittal of an invoice constitutes SUBCONTRACTOR'S certification that materials, Work, and/or Services have been provided, and invoiced amounts are in accordance with all Subcontract provisions. Invoices may be submitted electronically, if in a format acceptable to CH2M HILL. All invoice requirements still apply to electronic invoices. Invoices must be submitted in a format that ties directly back to the original Subcontract bid. Each Subcontract, Release, and Purchase Order must be invoiced separately. The invoice must clearly and legibly identify the SUBCONTRACTOR'S Name, Invoice Number, Subcontract Number, Release Number (if applicable), and/or Purchase Order Number. Each invoice should include the name and telephone number of a company representative available to respond to invoice questions. Remittance will be made only to the remittance address on file for the SUBCONTRACTOR. Invoices from third parties or with different remittance instructions or addresses will not be processed. Questions or requests for exceptions should be addressed to the CH2M HILL Buyer administering the Subcontract/purchase order. The SUBCONTRACTOR shall submit an original invoice and supporting documentation to CH2M HILL's Accounts Payable organization at the address below:

CH2M HILL Hanford Group, Inc.

Email electronic invoices to: ch2m_ap_invoices@rl.gov

Accounts Payable Mail Stop: H6-09

P.O. Box 1500

Richland, WA 99352

Invoices for Construction subcontracts may not be submitted more than once per calendar month. Subcontract payments will be issued within 30 days from receipt of an acceptable invoice. SUBCONTRACTOR requests for payment terms requiring payment in less than 30 days may be honored only if the SUBCONTRACTOR offers adequate consideration to CH2M HILL and the agreed upon payment terms specifically incorporated into the Subcontract. The total amount due for the billing period must be clearly identified on all invoices (this amount should be set apart from any cumulative amounts or subtotals included on the invoice).

Any invoice submitted, which fails to comply with the terms of this Subcontract, including the requirements of form and documentation, may be returned to SUBCONTRACTOR. Any costs associated with the resubmission of a proper invoice shall be to SUBCONTRACTOR's account. Final payment shall not relieve the SUBCONTRACTOR of any obligation under this Subcontract.

CH2M HILL may, at its sole discretion, withhold payment due for, but not limited to, the following reasons:

Substandard work or delays in the work not corrected promptly.

CH2M HILL HANFORD GROUP, INC
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Evidence that a claim has been or will be filed against SUBCONTRACTOR
Evidence that lower tier subcontractors or suppliers have not been properly paid.

3.2 Progress Payments

CH2M HILL shall make progress payments monthly as the work proceeds, or at more frequent intervals as determined by CH2M HILL, on estimates approved by CH2M HILL. If requested by CH2M HILL, the SUBCONTRACTOR shall furnish a breakdown of the Subcontract Price showing the amount included therein for each principal category of the work, in such detail as requested, to provide basis for determining progress payments. Payment for materials delivered to or stored at the worksite prior to installation must be substantiated by invoice. Only the invoiced cost plus applicable sales tax will be allowed in the ~~estimating~~ making such progress payments, there may be retained 10 percent of the estimated amount until final completion and acceptance of Subcontract work. However, CH2M HILL may authorize payment in full for each progress payment for work performed beyond the 50 percent stage of completion. Also, whenever the work is substantially complete, CH2M HILL may retain an amount it considers adequate for protection of the Government and, at its discretion, may release to the SUBCONTRACTOR all or a portion of any excess amount.

3.3 Cash Discounts

Cash discounts will apply from the date a correct, properly supported invoice is received by CH2M HILL.

3.4 Liens

SUBCONTRACTOR will promptly pay for all services, labor, materials, and equipment used or employed in the Work and will maintain the materials, equipment, structures, buildings, and premises, free and clear of mechanics or other liens. SUBCONTRACTOR will, upon completion of the Work and before final payment is due, furnish CH2M HILL, on a form CH2M HILL may require, with reasonable evidence that all Services, labor, materials, and equipment have been paid in full.

3.5 Accruals

The SUBCONTRACTOR shall provide monthly to Accounts Payable an estimate of the total billable cost (invoiced plus invoiceable) from inception of the Subcontract through the current calendar month end. This information must be provided by email (preferred), fax, or mail by the 15th of each month. This data must be provided for each Subcontract release until all payments are received and the Subcontract is complete.

Email: Accruals-CHG@rl.gov

Fax: (509) 372-8036

Mailing Address:

CH2MHILL Hanford Group, Inc.

ATTN: Accounts Payable / MSIN H6-09

PO Box 1500

Richland, WA 99352

Monthly Subcontract-to-Date Cost Estimate Form can be obtained at the following Internet Address:

<http://www.hanford.gov/pmm/download.htm>

3.6 Taxes

The SUBCONTRACTOR is not obligated to collect Washington State sales or use tax from CH2M HILL per tax exemption number C601-740-506. All other Federal, State, county, municipal or other taxes not excluded by the Washington State Department of Revenue Resale Certificate must be included in the Subcontract amount. If as a result of this Subcontract the SUBCONTRACTOR becomes eligible for Washington State Business and Occupation Tax Credit for Research and Development spending, the SUBCONTRACTOR shall take such tax credit and assign such tax credit to CH2M HILL. The SUBCONTRACTOR shall fully cooperate with Buyer in any tax audits or any tax assessment reviews or challenges.

3.7 Right to Offset

CH2M HILL, without waiver or limitation of any rights or remedies of CH2M HILL, shall be entitled from time to time to deduct from any amounts due or owing by CH2M HILL to SUBCONTRACTOR in connection with this Subcontract (or any other Subcontract with CH2M HILL), any and all amounts owed by SUBCONTRACTOR to CH2M HILL or the Government in connection with this Subcontract.

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3.8 Interest Payment

No interest is payable to SUBCONTRACTOR for any claim it may have, except that specifically imposed by a court of competent jurisdiction on any judgment, and then only from the date of the entry of judgment.

3.9 Final Payment

Upon completion of the Work, SUBCONTRACTOR will notify CH2M HILL, in writing, that the Work is complete and that final payment is due. The final invoice shall be submitted for payment after completion and acceptance of work by CH2M HILL and compliance by SUBCONTRACTOR with all terms of this Subcontract. The final invoice shall be identified as such and include all certifications and releases listed below. If the Work has been completed in accordance with this Subcontract, final payment will be made in accordance with the terms of this Subcontract.

Closeout Certifications and Releases (see attached forms)

Final Property Report and Certification

Final Invoice (Include cumulative totals by line item or cost category)

Lien Waiver

SUBCONTRACTOR Release Form

ARTICLE 4.0 OBLIGATIONS OF SUBCONTRACTOR

4.1 Independent SUBCONTRACTOR*

SUBCONTRACTOR is an independent contractor and shall maintain complete control of and responsibility for its employees, lower-tier subcontractors, and agents. SUBCONTRACTOR shall also be solely responsible for the means and methods for carrying out the Scope of Work and for the safety of its employees. Nothing contained in this Subcontract will create any contractual relationship between Government and SUBCONTRACTOR.

4.2 Buyer Authorization*

SUBCONTRACTOR shall not further Subcontract performance of all or any portion of the Work under this Subcontract without first notifying CH2M HILL and obtaining CH2M HILL's written acceptance of the lower-tier subcontracting and the lower-tier subcontractor.

4.3 Right of Access

CH2M HILL, its Clients, or agents shall have the right to inspect and evaluate SUBCONTRACTOR's facilities at any time during the procurement process, from the initiation of the Request for Proposal (RFP) through final payment. CH2M HILL, its Clients, or agents shall have the right of access to sub-tier subcontractors and suppliers for the purpose of verifying the quality of their work. Access to sub-tier subcontractors and suppliers shall be coordinated through SUBCONTRACTOR and verification may be performed jointly with the SUBCONTRACTOR.

4.4 SUBCONTRACTOR Responsibility*

SUBCONTRACTOR agrees that it is as fully responsible to CH2M HILL for the acts and omissions of its lower-tier subcontractors and of persons either directly or indirectly employed by them as it is for the acts and omissions of persons directly employed by SUBCONTRACTOR. SUBCONTRACTOR shall not be relieved of its responsibility for the Work by virtue of any lower-tier subcontracts it may place regardless of CH2M HILL's acceptance of such lower-tier subcontract.

The SUBCONTRACTOR is responsible for the quality of work, material, and equipment supplied under the term of this subcontract. The SUBCONTRACTOR shall be responsible for assuring that all lower-tier subcontractors and suppliers implement adequate quality and process control commensurate with importance to safety, cost, schedule, and success of the program, of the products supplied or services rendered. All applicable technical and quality requirements imposed by this subcontract shall be flown down to lower-tier subcontractors through appropriate procurement documents. The SUBCONTRACTOR retains the responsibility for the quality of all work, material, and equipment provided by sub-tier suppliers and subcontractors.

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The SUBCONTRACTOR shall hold a pre-fabrication conference with CH2M HILL prior to starting fabrication of items by SUBCONTRACTOR and/or its lower-tier subcontractors or suppliers.

Nothing contained in this Subcontract will be construed to create any contractual relationship between any lower-tier subcontractor and CH2M HILL or Government.

4.5 SUBCONTRACTOR Certification*

SUBCONTRACTOR will provide certification that the lower-tier subcontractor has the necessary permits and licenses for the Work proposed. SUBCONTRACTOR guarantees that its lower-tier subcontractor will comply fully with the terms of this Subcontract applicable to the portion of the Work performed by them. If any portion of the Work, which has been subcontracted by SUBCONTRACTOR, is not performed in accordance with this Subcontract, on request by CH2M HILL, the lower-tier subcontractor will be replaced at no additional cost to CH2M HILL and will not be employed again on the Work.

4.6 SUBCONTRACTOR Assignment*

SUBCONTRACTOR shall include a provision in every lower-tier subcontract that authorizes assignment of such lower-tier subcontracts to CH2M HILL or the Government without requiring further consent from such lower-tier subcontractor.

4.7 SUBCONTRACTOR Communications

CH2M HILL shall have the right from time to time to contact SUBCONTRACTOR's lower-tier subcontractors upon notification of the SUBCONTRACTOR to discuss their progress.

4.8 Organizational Conflicts of Interest*

SUBCONTRACTOR warrants that, to the best of his knowledge and belief, and except as otherwise disclosed, there are no relevant facts which could give rise to organizational conflicts of interest during performance of work under this Subcontract, or that SUBCONTRACTOR has disclosed all such relevant information to Buyer prior to award of this Subcontract.

4.9 Warranties*

SUBCONTRACTOR warrants that all supplies and services provided under this Subcontract shall conform to the Statement of Work included in this Subcontract. SUBCONTRACTOR further warrants that all supplies provided as part of the Services shall be merchantable and fit for their intended purposes; new, not refurbished or reconditioned; preserved, packaged, marked, and prepared in a manner conforming to the requirements of applicable law and regulation and this Subcontract; and of an even kind, quality and quantity within each unit and among all units.

These warranty obligations shall survive for one (1) year after acceptance or the completion of performance of the services hereunder unless a longer warranty period is called for in any writing including, without limitation, specifications, drawings or proposals furnished by or to CH2M HILL. CH2M HILL shall notify SUBCONTRACTOR of any warranty claim within thirty (30) days after discovering the defect giving rise to such claim.

SUBCONTRACTOR shall bear all costs and risk for correction or replacement of defects, and in the case of supplies, for the cost of returning the defective supplies to SUBCONTRACTOR and their return to CH2M HILL. Any of the supplies or parts thereof, corrected or furnished in replacement under this Paragraph, shall also be subject to the terms of this Paragraph to the same extent as the supplies initially delivered. If replacement or correction is not completed promptly after notice of the defect or if a cure does not appear feasible, CH2M HILL shall have the right to either (i) obtain equivalent supplies or services from other sources (or to provide such supplies or services from internal sources) and to charge the cost thereof to SUBCONTRACTOR or (ii) demand a refund of the funds paid by CH2M HILL for the defective supplies or services. At CH2M HILL's request, SUBCONTRACTOR shall provide a schedule for completing any proposed cure for defective supplies or services. Failure to provide a schedule within ten (10) working days shall be deemed grounds for CH2M HILL to exercise its rights under the preceding sentence.

If SUBCONTRACTOR disputes CH2M HILL's warranty claim, SUBCONTRACTOR shall nevertheless proceed to correct or replace the defective supplies or services. In the event it is later determined that the supplies or services were not defective,

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CH2M HILL shall equitably adjust the amount paid or to be paid under the Subcontract to compensate SUBCONTRACTOR for the additional supplies or services provided, subject to offset for any conforming supplies returned by CH2M HILL.

SUBCONTRACTOR shall provide instructions to CH2M HILL for pick up or disposal of defective supplies. Notwithstanding the provision entitled "Notice of Completion and Final Acceptance" hereof, title to, and risk of loss of, defective supplies that are returned for replacement or refund shall revert to SUBCONTRACTOR upon notice of the defect. If SUBCONTRACTOR fails to furnish timely disposition instructions, CH2M HILL may dispose of the defective supplies for SUBCONTRACTOR's account in a reasonable manner. CH2M HILL is entitled to reimbursement from SUBCONTRACTOR, or from the proceeds of such disposal, for the reasonable expenses of the care and disposition of the defective supplies, as well as for excess costs incurred or to be incurred as a result of the breach of warranty.

The rights and remedies of CH2M HILL provided in this Paragraph are in addition to and do not limit any rights afforded to CH2M HILL by applicable law or any other term of this Subcontract.

Without limiting SUBCONTRACTOR's liability under the warranties set out above, SUBCONTRACTOR shall assign to CH2M HILL all manufacturer's warranties for supplies provided to CH2M HILL or other property acquired by SUBCONTRACTOR at CH2M HILL's expense to which CH2M HILL takes title under the provision entitled "Notice of Completion and Final Acceptance."

4.10 Non-Conformance Reports (NCRs)

Nonconformance Reports (NCRs) generated by SUBCONTRACTOR, sub-tier subcontractors and suppliers of items with the proposed disposition of "Use as is" or "Repair" shall be submitted for approval to CH2M HILL Design Authority, Engineering, and Quality Assurance before SUBCONTRACTOR initiates any remedial action on the nonconformance.

4.11 Labor and Work Rules

SUBCONTRACTOR Personnel: At all times during the course of the Work, SUBCONTRACTOR shall provide at the jobsite a qualified, competent, and responsible supervisor who shall be satisfactory to CH2M HILL. The supervisor shall have the authority to represent the SUBCONTRACTOR and directions given to the supervisor shall be binding on the SUBCONTRACTOR. Upon CH2M HILL written request, SUBCONTRACTOR shall give the supervisor, in writing, complete authority to act on behalf of, and to bind SUBCONTRACTOR in all matters pertaining to the Work and this Subcontract. If requested, SUBCONTRACTOR shall furnish CH2M HILL a copy of the authorization. SUBCONTRACTOR shall not transfer or remove any of its supervisory or key personnel from performance of Work without the prior written approval of CH2M HILL. Any employee of SUBCONTRACTOR deemed by CH2M HILL, in its sole judgment, to be objectionable, shall be removed from the jobsite immediately upon CH2M HILL request and shall be promptly replaced by SUBCONTRACTOR at no extra expense to CH2M HILL. SUBCONTRACTOR shall nevertheless retain all authority and control over its employees, including responsibility for all costs arising from providing reasonable accommodations for its employees.

If requested by CH2M HILL, SUBCONTRACTOR shall furnish the names and addresses of SUBCONTRACTOR's lower-tier subcontractors, field employees of SUBCONTRACTOR and its lower-tier subcontractors, and others who have performed or are performing the Work hereunder.

SUBCONTRACTOR agrees that all labor employed by it, its agents, and/or lower-tier subcontractors for Work on the jobsite shall be in harmony with and be compatible with all other labor used by CH2M HILL and other contractors. Whenever SUBCONTRACTOR has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of the Work, SUBCONTRACTOR shall immediately give CH2M HILL notice thereof including all relevant information.

SUBCONTRACTOR shall comply strictly with all CH2M HILL and Government rules governing the conduct of SUBCONTRACTOR and SUBCONTRACTOR's employees, agents, and lower-tier subcontractor's at and about the jobsite. SUBCONTRACTOR agrees that it shall ensure that its supervisory personnel, employees, agents, and lower-tier subcontractors at the jobsite comply strictly with such rules. CH2M HILL reserves the right to, from time to time, revise any such rules and SUBCONTRACTOR shall comply fully with such rules as revised in accordance with the foregoing provisions.

4.12 Price Anderson Amendment Act (PAAA)

4.12.1 As a government contractor in a nuclear facility, CH2M HILL is subject to enforcement actions under 10 CFR 820, General Statement of Enforcement Policy, (Price Anderson Amendment Act). The enforcement actions require compliance with 10 CFR 820,

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Procedural Rules for DOE Nuclear Activities; 10 CFR 830, Nuclear Safety Management; 10 CFR 835, Occupational Radiation Protection; and 10 CFR 708, Contractor Employee Protection. Depending on the nature of the services being provided, suppliers and subcontractors may be subject to enforcement actions of these regulations.

The SUBCONTRACTOR shall provide right of access to CH2M HILL for the purpose of reviewing the Price Anderson Amendments Act (PAAA) Program and/or associated documentation.

The SUBCONTRACTOR shall assure flow down of these requirements to its lower-tier subcontractors of quality affecting items and/or services procured for work performed for this contract.

4.12.2 During the period of performance of this Subcontract, the SUBCONTRACTOR shall provide to CH2M HILL copies of all documents that constitute reports of deficiencies, weaknesses, non-conformances, or non-compliances with established requirements related to items or services provided to CH2M HILL. Such documents may include:

- Occurrence Reports
- Nonconformance Reports
- Critique Information/Reports
- Investigation Reports
- Problem Evaluation Request (PER)
- Environmental Data Deficiency Evaluation Forms
- Internal/External Assessment/Surveillance/Audit Reports
- Employee Concerns associated with Nuclear Safety
- Any other document associated with a deficiency or non-compliance.

UNLESS

The SUBCONTRACTOR submits with its proposal to CH2M HILL for review and approval, a copy of its implementing procedure for Price Anderson Act Amendment (PAAA) compliance. In addition, during the period of performance of work for this purchase order/subcontract, the SUBCONTRACTOR shall submit to CH2M HILL copies of PAAA evaluations that have been determined to be non-compliances to any of the above 10 CFR requirements that are related to items or services provided to CH2M HILL.

4.13 Indemnification*

SUBCONTRACTOR agrees to defend, indemnify, and hold harmless CH2M HILL and the Government, the affiliated companies of each, and all of their directors, officers, employees, agents, and representatives, from and against:

4.13.1 Any claim, demand, cause of action, liability, loss or expense arising by reason of SUBCONTRACTOR's failure to comply with any law, ordinance, regulation, rule or order. This clause includes, but is not limited to, fines or penalties by Government authorities and claims arising from SUBCONTRACTOR's actual or asserted failure to pay taxes.

4.13.2 Any claim, demand, cause of action, liability, judgment or damages arising from actual or asserted violation or infringement of rights in any patent, copyright, proprietary information, trade secret or other property right caused or alleged to be caused by the use or sale of goods, materials, equipment, methods, processes, designs or information, including construction methods, construction equipment and temporary construction facilities, furnished by SUBCONTRACTOR or its lower-tier subcontractors in performance of the Work. Should any goods or Services provided by SUBCONTRACTOR become, or appear likely to become, the subject of a claim of infringement of a patent, copyright or other property right, SUBCONTRACTOR shall, at CH2M HILL's option, either procure for CH2M HILL and the Government the right to continue using such goods or Services, replace same with equivalent, non-infringing goods or Services, or modify the goods or Services so that the use thereof becomes non-infringing, provided that any such modification or replacement is of equal quality and provides equal performance to the infringing goods or services.

4.13.3 Any claim, demand, cause of action, liability, judgment or damages arising from SUBCONTRACTOR's negligence or acts or omissions which results in injury to or death of persons (including employees of CH2M HILL, the Government, SUBCONTRACTOR and SUBCONTRACTOR's lower-tier subcontractors) or results in damage to or loss of property (including the property of CH2M HILL or the Government). SUBCONTRACTOR's defense and indemnity obligations hereunder include

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claims and damages arising from non-delegable duties of CH2M HILL or arising from use by SUBCONTRACTOR of construction equipment, tools, scaffolding of facilities furnished to SUBCONTRACTOR by CH2M HILL or the Government.

4.13.4 Any claim, demand, cause of action, liability, judgment or damages arising out of any act or omission by SUBCONTRACTOR that results in contamination, pollution, or public or private nuisance.

4.13.5 SUBCONTRACTOR's defense and indemnity obligations shall include the duty to reimburse any attorney's fees and expenses incurred by CH2M HILL or the Government for legal action to enforce SUBCONTRACTOR's indemnity obligations.

4.13.6 In the event that the indemnity provisions in this Subcontract are contrary to the law governing this Subcontract, then the indemnity obligations applicable hereunder shall be construed to be to the fullest extent allowable by applicable law.

4.13.7 With respect to claims by employees of SUBCONTRACTOR or its lower-tier subcontractors, the indemnity obligations created under this clause shall not be limited by the fact of, amount, or type of benefits or compensation, payable by or for SUBCONTRACTOR, its lower-tier subcontractors or suppliers under any workers compensation, disability benefits, or other employee benefits acts or regulations, and SUBCONTRACTOR, specifically and knowingly, waives any limitation of liability arising from workers' compensation or such other acts or regulations.

4.14 Codes, Laws, and Regulations*

SUBCONTRACTOR shall comply strictly with local, municipal, state, federal, and governmental laws, orders, codes, and regulations applicable to SUBCONTRACTOR's operations in the performance of the Work hereunder. Prior to offering the item or service for acceptance, the SUBCONTRACTOR shall verify and document that the item or service being furnished complies with the procurement requirements. Where required by code, regulation, or Subcontract requirement, documentary evidence that items conform to procurement documents shall be available at the facility site prior to installation or use.

SUBCONTRACTOR shall not, under any circumstances apply to or enter into negotiations with any governmental authority or agency for acceptance of variations from or revisions to safety or health, or air, water or noise pollution laws or regulations relating to this Subcontract or to the performance thereof, without CH2M HILL's prior written approval.

SUBCONTRACTOR shall not, under any circumstances, cause or permit, in connection with the Work to be performed hereunder, the discharge, emission or release of any hazardous substance and/or waste, pollutant, contaminant or other substance in violation of any applicable laws, rules or regulations which are now or hereafter promulgated by any governmental authorities having jurisdiction over the Work. SUBCONTRACTOR shall comply with all regulatory requirements applicable to the Work performed under this Subcontract and shall be responsible for compliance with all hazardous waste, health and safety, notice, training, and environmental protection laws, rules, regulations and requirements. "Hazardous waste" includes all substances, which are or may be identified as such in 40 CFR, Part 261 or other applicable laws or regulations. SUBCONTRACTOR shall submit to CH2M HILL material safety data sheets (OSHA Form 20) as required by applicable regulation. As an inducement to award of this Subcontract, SUBCONTRACTOR warrants full compliance and that it will adhere to all applicable project hazardous waste procedures and, if necessary, obtain or arrange for, at its expense and in accordance with the terms of this Subcontract, all identification numbers, permits, applications, and other requirements in connection with the Work. SUBCONTRACTOR agrees that it will not store any hazardous wastes at the jobsite for periods in excess of ninety (90) days or in violation of the applicable jobsite storage limitations imposed by law, the Government or CH2M HILL, whichever shall be more restrictive. SUBCONTRACTOR further agrees that it will not permit any accumulation in excess of the small quantity generator exclusion of 40 CFR, Part 261, or other applicable laws, as amended. SUBCONTRACTOR agrees to take, at its expense all actions necessary to protect third parties, including without limitation, employees and agents of the Government and CH2M HILL from any exposure to, or hazards of, hazardous and/or toxic wastes or substances generated or utilized in SUBCONTRACTOR's operations. SUBCONTRACTOR agrees to report to the appropriate governmental agencies all discharges, releases, and spills of hazardous substances and/or wastes required to be reported by law and to immediately notify CH2M HILL of the same.

4.15 Foreign Ownership, Control, and Influence*

For purposes of this provision, a foreign interest is defined as any of the following:

- (1) A foreign government or foreign government agency;
 - (2) Any form of business enterprise organized under the laws of any country other than the United States or its possessions;
 - (3) Any form of business enterprise organized or incorporated under the laws of the United States, or a State or other jurisdiction within the United States, which is owned, controlled, or influenced by a foreign government, agency, firm, corporation or person;
- or

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(4) Any person who is not a United States citizen.

Foreign ownership, control, or influence (FOCI) means the situation where the degree of ownership, control, or influence over a subcontractor by a foreign interest is such that a reasonable basis exists for concluding that compromise of classified information or special nuclear material, as defined in 10 CFR Part 710, may result.

The SUBCONTRACTOR shall immediately provide CH2M HILL written notice of any changes in the extent and nature of FOCI over the SUBCONTRACTOR, which would affect the SUBCONTRACTOR's status. Further, notice of changes in ownership or control, which are required to be reported to the Securities and Exchange Commission, the Federal Trade Commission, or the Department of Justice shall also be furnished concurrently to CH2M HILL.

In those cases where a SUBCONTRACTOR has changes involving FOCI, the DOE must determine whether the changes will pose an undue risk to the common defense and security. In making this determination, CH2M HILL shall consider proposals made by the SUBCONTRACTOR to avoid or mitigate foreign influences.

If CH2M HILL at any time determines that the SUBCONTRACTOR is, or is potentially, subject to FOCI, the SUBCONTRACTOR shall comply with such instructions as CH2M HILL shall provide in writing to safeguard any classified information or significant quantity of special nuclear material.

The SUBCONTRACTOR agrees to insert terms that conform substantially to the language of this clause including this paragraph in all lower-tier subcontracts under this Subcontract that will require access to classified information or a significant quantity of special nuclear material. Additionally, the SUBCONTRACTOR shall require such lower-tier subcontractors to submit a completed certification prior to award of a lower-tier subcontract. Information to be provided by a lower-tier subcontractor pursuant to this clause may be submitted directly to CH2M HILL.

Information submitted by the SUBCONTRACTOR or any affected lower-tier subcontractor as required pursuant to this clause shall be treated by CH2M HILL to the extent permitted by law, as business or financial information submitted in confidence to be used solely for purposes of evaluating FOCI.

The requirements of this provision are in addition to the requirement that a SUBCONTRACTOR obtain and retain the security clearances required by the Subcontract. This provision shall not operate as a limitation on the DOE's rights, including its rights to terminate this Subcontract.

CH2M HILL may terminate this Subcontract for default either if the SUBCONTRACTOR fails to meet obligations imposed by this provision (e.g., provide the information required by this provision, comply with CH2M HILL's instructions about safeguarding classified information, or make this provision applicable to lower-tier subcontractors) or if, in CH2M HILL's judgment, the SUBCONTRACTOR creates an FOCI situation in order to avoid performance or a termination for default. CH2M HILL may terminate this Subcontract for convenience if the SUBCONTRACTOR becomes subject to FOCI and for reasons other than avoidance of performance of the Subcontract, cannot, or chooses not to, avoid or mitigate the FOCI problem.

4.16 Permits, Licenses, and Fees

SUBCONTRACTOR will obtain and pay for all applicable permits and licenses required by law that are associated with the Work.

4.17 Safety*

SUBCONTRACTOR is solely responsible for health and safety of its employees and its lower-tier subcontractors. SUBCONTRACTOR shall have a health and safety plan fully compliant with health and safety laws and consistent with the CH2M HILL Integrated Environment, Safety, and Health Management System (ISMS). SUBCONTRACTOR shall provide all applicable safety training and equipment required in the health and safety plans. SUBCONTRACTOR is responsible for ensuring that its lower-tier subcontractors comply with this provision. Visits and observations made by CH2M HILL will not relieve the SUBCONTRACTOR of its obligation to conduct comprehensive safety inspections of the site and provide adequate safety in conformance with this Subcontract.

4.18 Protection of Work and Property

SUBCONTRACTOR will at all times safely guard and protect from damage the Work and adjacent property. All loss or damages arising out of the nature of the Work to be done under this Subcontract, including, but not limited to, action of the elements, will be the responsibility of SUBCONTRACTOR.

SUBCONTRACTOR will confine its equipment, the storage of materials, and the operation of its workers to limits shown on the Drawings or indicated by law, ordinances, permits, or directions of CH2M HILL and will not unreasonably encumber the premises with its materials.

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4.19 Insurance

(This clause is applicable in lieu of the INSURANCE provision in the On-Site Work Provisions.)

SUBCONTRACTOR, as required, shall procure and maintain the insurance policies and coverage limits described below unless waived in writing by CH2M HILL. SUBCONTRACTOR shall ensure that lower tier subcontractor agreements at least duplicate the insurance policies and coverage limits required of SUBCONTRACTOR, if lower tier subcontractors will perform work at site, unless waived by CH2M HILL. CH2M HILL's wavier shall not apply to insurance required by statute. SUBCONTRACTOR agrees to provide insurance certificate identifying the insured, Subcontract Number and the Buyer's name and company.

- Workers Compensation, Occupational Disease, Disability Benefit, and other similar employee benefit insurance required under the laws of the state that apply to the work to be performed under this Subcontract.
- Commercial General Liability Insurance, including Employers Liability and Owner's and SUBCONTRACTOR's Protective and Contractual Liability, with a combined single limit of at least \$2,000,000 per occurrence for bodily injury (including death), property damage, and any other covered loss.
- Automobile Liability Insurance for all motor vehicles, including owned, non-owned, and hired motor vehicles, used by or on behalf of SUBCONTRACTOR in connection with work to be performed under this Subcontract with a combined single limit of at least \$2,000,000 per occurrence for bodily injury (including death), property damage, and any other covered loss. If hazardous materials are to be transported, SUBCONTRACTOR shall maintain liability insurance evidenced by ISO Form CA001 with MCS-90 and CA9948 endorsements attached.
- Tool and Equipment Insurance for all tools and equipment, including rentals, used in connection with the work to be performed under this Subcontract.
- \$5,000,000 Builder's All Risk Insurance covering damage to SUBCONTRACTOR's work during construction.
- The SUBCONTRACTOR shall furnish CH2M HILL with satisfactory evidence of SUBCONTRACTOR Provided Insurance, unless waived in writing by CH2M HILL, prior to commencing work to be performed under this Subcontract, with the provision that at least thirty (30) days prior written notice is given to CH2M HILL in the event of cancellation or material change. In addition, the following requirements apply: (i) coverage's evidenced by SUBCONTRACTOR Provided Insurance policies shall be primary; (ii) such policies shall contain a Separation of Insureds clause and Waiver of Subrogation in favor of CH2M HILL and Government; and (iii) SUBCONTRACTOR shall name CHG and Government additional insureds on all such applicable policies.

4.20 Responsibility of SUBCONTRACTOR to Act in Emergency*

In emergencies affecting the safety of persons, Work or property at the site and adjacent thereto, SUBCONTRACTOR will act, without previous instructions from CH2M HILL, as the situation warrants. SUBCONTRACTOR will notify CH2M HILL immediately thereafter. SUBCONTRACTOR will submit the name, address, and phone number of a responsible individual or individuals who will be available on a 24-hour basis to handle emergency situations in connection with the Work.

4.21 Equipment, Materials, and Appliances*

Unless otherwise stipulated, SUBCONTRACTOR will provide and pay for all materials, labor, water, tools, equipment, heat, light, power, transportation, telephone, temporary facilities, and other facilities, and incidentals necessary for the execution and completion of the Work. Unless otherwise specified, all materials will be new, and both workmanship and materials will be of good quality.

In selecting and/or approving equipment for installation in the PROJECT, SUBCONTRACTOR assumes all responsibility for injury or claims resulting from failure of the equipment to comply with applicable national, state, and local safety codes or requirements, or the safety requirements of a recognized agency, or SUBCONTRACTOR's defective workmanship or materials.

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4.22 Schedules, Progress Reports, and Coordination

The SUBCONTRACTOR must meet the schedule specified in the Statement of Work. When requested by CH2M HILL, SUBCONTRACTOR will prepare and submit to CH2M HILL a progress schedule identifying the completion of the Work outlined in this Subcontract, within the deadlines and milestones established herein.

During the progress of the Work, SUBCONTRACTOR will maintain material deliveries and employ sufficient workers and equipment to accomplish the Work in conformance with the submitted schedule or deadlines and milestones established.

If requested by CH2M HILL, SUBCONTRACTOR will forward to CH2M HILL a summary report of the progress of the various parts of the Work, stating the existing status, rate of progress, estimated time of completion, and cause of delay, if any.

SUBCONTRACTOR recognizes that CH2M HILL, the Government, and other contractors and lower-tier subcontractors may be working concurrently at the jobsite. SUBCONTRACTOR agrees to cooperate with CH2M HILL, the Government and other contractors and lower-tier subcontractors so that the project as a whole will progress with a minimum of delays. CH2M HILL reserves the right to direct SUBCONTRACTOR to schedule the order of performance of its Work in such manner as not to interfere with the performance of others.

If the completion of any part of the Work or the delivery of materials is behind schedule, SUBCONTRACTOR will submit in writing a plan for bringing the Work within the schedule. CH2M HILL may require that one or more of the following courses of action be taken by SUBCONTRACTOR to accelerate the schedule:

- Increase the working week to 6 or 7 days
- Increase the labor force
- Provide and utilize additional equipment
- Increase the working day to 10 hours or more.

SUBCONTRACTOR will remain on such accelerated work schedule until such time as, in the opinion of CH2M HILL, the degree of completion of the Work complies with the original schedule. All extra costs of any accelerated work schedule will be borne by SUBCONTRACTOR.

Failure to comply with such an accelerated work schedule may result in no further monthly progress payments until such time as the degree of completion of the Work complies with the approved schedule or CH2M HILL has approved a revised schedule.

Daily work schedules and facility operations are not consistent on the Hanford Site. In addition, some organizations and facilities observe alternate Friday closures. Accordingly, before scheduling deliveries, the SUBCONTRACTOR shall make specific schedule arrangements for the delivery of materials with the Buyer, Facility Manager, Delivery Warehouse Manager, Building Manager, etc. CH2M HILL will not be liable for the cost of any delays, demurrage, layover, extra travel days, etc. which result from SUBCONTRACTOR's failure to obtain a specific schedule in advance. Current Hanford Site Facility Closure days are: New years Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day (and following Friday), Christmas Eve and Christmas Day.

4.23 Hazardous or Toxic Substances*

If the Work under this Subcontract involves hazardous or toxic substances, SUBCONTRACTOR will comply with all safety or training requirements promulgated by law or regulation.

4.24 Publicity*

SUBCONTRACTOR will not disclose the nature of its Work under this Subcontract or engage in any other publicity or public media disclosures with respect to this Subcontract without the prior written consent of CH2M HILL.

4.25 Key Personnel

Certain SUBCONTRACTOR employees may be designated as Key Personnel in this Subcontract. SUBCONTRACTOR agrees those individuals determined to be key individuals will not be changed or reassigned without the written agreement of CH2M HILL. If any of the designated key personnel become unavailable for assignment for Work under this Subcontract, the SUBCONTRACTOR, with the prior approval of CH2M HILL, will replace them with an individual substantially equal in abilities or qualifications.

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4.26 Copies of Data

One legible copy each of all notes, field notes, drawings, including record drawings, prints, plans, reports, and other applicable documents prepared under the Provisions of this Subcontract will be delivered by SUBCONTRACTOR to CH2M HILL upon completion of the Work and prior to final payment.

4.27 Inspection, Testing, and Quality Control

SUBCONTRACTOR shall inspect all materials, supplies and equipment, which are to be incorporated in the Work. In addition, SUBCONTRACTOR shall conduct a continuous program of quality control for all Work. If required in the Subcontract Statement of Work, SUBCONTRACTOR's quality control program and inspection procedures for the foregoing may be required to be submitted to CH2M HILL for review. However, neither review nor acceptance of SUBCONTRACTOR's quality control program or inspection procedures shall relieve SUBCONTRACTOR of its obligation to conduct comprehensive inspections of the Work, to furnish materials, to perform acceptable Work, and to provide adequate safety precautions in conformance with this Subcontract.

Documents that furnish evidence of the quality of items and/or activities affecting quality are considered quality assurance records and shall be prepared and controlled in accordance with approved procedures. Submittal of these documents to CH2M HILL shall be accomplished as specified in the Statement of Work or other procurement documents.

SUBCONTRACTOR shall, during the course of performance of the Work hereunder, without additional compensation, make, or cause to be made all tests required by this Subcontract. CH2M HILL may require additional inspections and tests. SUBCONTRACTOR shall furnish CH2M HILL with satisfactory documentation of the results of all inspections and tests. CH2M HILL shall be given not less than five (5) working days notice of any tests to be made by SUBCONTRACTOR or SUBCONTRACTOR's lower-tier subcontractors in order that CH2M HILL may witness any such tests.

CH2M HILL and the Government and their representatives, and others as may be required by applicable laws, ordinances and regulations, shall have the right at all reasonable times to inspect the Work and all material, supplies and equipment for the Work. SUBCONTRACTOR shall provide, or cause to be provided access and sufficient, safe and proper facilities for such inspections. Neither the failure to make such inspection nor to discover defective workmanship, materials or equipment, nor approval of or payment to SUBCONTRACTOR for such Work, materials, or equipment shall prejudice the right of CH2M HILL or the Government.

If SUBCONTRACTOR covers any portion of the Work prior to any inspection or test provided for in the specifications, inspection schedule, or as previously requested by CH2M HILL, the cost of uncovering and covering the Work to allow for such inspection or test shall be borne by the SUBCONTRACTOR.

CH2M HILL may order reexamination of any Work. In the event of such reexamination, if any material, equipment or any part of the Work is determined by CH2M HILL to be defective, SUBCONTRACTOR shall not be reimbursed for uncovering, repair or corrective and restoration costs. If such Work is found to be in accordance with the Subcontract requirements upon such reexamination, CH2M HILL shall pay SUBCONTRACTOR the cost of uncovering and restoration.

Rejection by CH2M HILL of any or all parts of defective Work for failure to conform to this Subcontract shall be final and binding. Such rejected Work shall be promptly corrected or replaced by SUBCONTRACTOR at SUBCONTRACTOR's expense. If SUBCONTRACTOR fails to commence and diligently continue correction or replacement of such rejected Work immediately after receipt of written notice from CH2M HILL to correct or replace the rejected Work, CH2M HILL may, at its option, remove and replace the rejected Work and SUBCONTRACTOR shall promptly reimburse CH2M HILL for the costs of such removal and replacement of defective Work.

4.28 Notice of Completion and Final Acceptance

When SUBCONTRACTOR deems the Work fully completed, including satisfactory completion of such inspections, tests and documentation as are specified in this Subcontract, SUBCONTRACTOR shall, within ten (10) working days thereafter, give a written Notice of Completion of the Work to CH2M HILL, specifying the Work completed and the date it was completed. Within thirty (30) calendar days after receipt of said Notice of Completion, CH2M HILL may inspect the Work and shall either reject the Notice of Completion and specify defective or uncompleted portions of the Work, or shall give the SUBCONTRACTOR a written Notice of Acceptance of the Work either for the purpose of final payment only, or for the purposes of final payment and final acceptance.

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In the event CH2M HILL rejects the Notice of Completion and specifies defective or uncompleted portions of the Work, SUBCONTRACTOR shall, within five (5) working days, provide for CH2M HILL review and approval, a schedule detailing when all defects will be corrected and/or the work will be completed and shall proceed to remedy such defective and uncompleted portions of the Work. Thereafter, SUBCONTRACTOR shall again give CH2M HILL a written Notice of Completion of the Work, specifying a new date for the completion of the Work based upon the date such defective or uncompleted portions of the Work were corrected. The foregoing procedure shall apply again and successively thereafter until CH2M HILL has given SUBCONTRACTOR written Notice of Acceptance for purposes of final payment and final acceptance.

Any failure by CH2M HILL to inspect or to reject the Work or to reject SUBCONTRACTOR's Notice of Completion as set forth above, shall not be deemed to be acceptance of the Work for any purpose by CH2M HILL nor imply acceptance of, or agreement with, said Notice of Completion.

4.29 Suspension of Work

CH2M HILL may at any time, and from time to time, by written notice to SUBCONTRACTOR suspend further performance of all or any portion of the Work by SUBCONTRACTOR. Said notice of suspension shall specify the date of suspension and the estimated duration of the suspension. Such suspensions shall not exceed one hundred eighty (180) consecutive calendar days each nor aggregate more than two hundred seventy (270) calendar days. Upon receiving any such notice of suspension, SUBCONTRACTOR shall promptly suspend further performance of the Work to the extent specified, and during the period of such suspension shall properly care for and protect all Work in progress and materials, supplies and equipment SUBCONTRACTOR has on hand for performance of the Work. Upon the request of CH2M HILL, SUBCONTRACTOR shall promptly deliver to CH2M HILL copies of outstanding subcontracts of SUBCONTRACTOR, and shall take such action relative to such subcontracts as may be directed by CH2M HILL. SUBCONTRACTOR shall use its best efforts to utilize its material, labor, and equipment in such a manner as to mitigate costs associated with suspension. CH2M HILL may at any time withdraw the suspension of performance of the Work as to all or part of the suspended Work by written notice to SUBCONTRACTOR specifying the effective date and scope of withdrawal, and SUBCONTRACTOR shall resume diligent performance of the Work for which the suspension is withdrawn on the specified effective date of withdrawal.

If SUBCONTRACTOR believes that any such suspension or withdrawal of suspension justifies modification of the Subcontract price or time of completion, SUBCONTRACTOR shall comply with the provisions of the procedure set forth in the "Changes" provision. SUBCONTRACTOR shall not be entitled to any prospective profits or any damages because of such suspension or withdrawals of suspension.

4.30 Performance and Payment Bonds

When required herein, SUBCONTRACTOR will furnish Performance and Payment Bonds, each in an amount equal to the total compensation under this Subcontract, as security for compliance with the provisions of this Subcontract. All bonds will remain in effect for at least a year after final payment and will be in a form and from a bonding company acceptable to CH2M HILL.

4.31 Environmental Responsibility

The SUBCONTRACTOR shall provide documentation of services, processes, and business practices that are protective of the natural environment.

4.32 Differing Site Conditions

The SUBCONTRACTOR shall promptly, and before the conditions are disturbed, give a written notice to the CH2MHILL Procurement Representative of:

- Subsurface or latent physical conditions at the site which differ materially from those indicated in this Subcontract, or
- Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the Subcontract.

The CH2MHILL Procurement Representative shall investigate the site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the SUBCONTRACTOR's cost of, or the time required for, performing any part of the work under this Subcontract, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the Subcontract modified in writing accordingly.

No request by the SUBCONTRACTOR for an equitable adjustment to the Subcontract under this clause shall be allowed, unless the SUBCONTRACTOR has given the written notice required; *provided*, that the time prescribed in paragraph (a) of this clause for giving written notice may be extended by the CH2MHILL Procurement Representative.

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No request by the SUBCONTRACTOR for an equitable adjustment to the Subcontract for differing site conditions shall be allowed if made after final payment under this Subcontract.

4.33 Reporting and Coordination

During the performance of Work, SUBCONTRACTOR shall submit to CH2M HILL periodic progress reports on the actual progress and updated schedules as may be required by this Subcontract or requested by CH2M HILL. In the event SUBCONTRACTOR's performance of the Work is not in compliance with the schedule established for such performance, CH2M HILL may, in writing, require the SUBCONTRACTOR to submit its plan for schedule recovery, or specify in writing the steps to be taken to achieve compliance with such schedule, and/or exercise any other remedies under this Subcontract. The SUBCONTRACTOR shall thereupon take such steps as may be directed by CH2M HILL or otherwise necessary to improve its progress without additional cost to CH2M HILL.

If any part of SUBCONTRACTOR's Work is dependent upon the quality and/or completeness of work performed under another Subcontract, SUBCONTRACTOR shall inspect such other work and promptly report to CH2M HILL any defects therein which render such work unsuitable for the proper execution of the Work under this Subcontract. Failure to make such inspections or to report any such defects to CH2M HILL shall constitute SUBCONTRACTOR's acceptance of such other work as suitable to receive SUBCONTRACTOR's Work; provided however, that SUBCONTRACTOR shall not be responsible for defects that could not have reasonably been detected.

4.34 Suspect and Counterfeit Items*

CH2M HILL reserves the right to question and/or require SUBCONTRACTOR to certify and/or furnish proof regarding the quality, authenticity, application, or fitness for use of the items supplied by the SUBCONTRACTOR under this Subcontract. The SUBCONTRACTOR shall establish and implement appropriate measures to prevent the procurement and incorporation of suspect and counterfeit parts into the deliverable for this subcontract. In addition, the SUBCONTRACTOR shall report the discovery of suspect and counterfeit items in sufficient details to establish all circumstances relative to the occurrence.

Any items furnished as part of this Subcontract and which have been previously found by CH2M HILL, the Department of Energy, or the Department of Commerce to be counterfeit or which are listed by the Department of Commerce to be suspect will be deemed, without more proof, to be subject to the above requirement of further proof or certification. CH2M HILL also reserves the right to question the circumstances and make available a report of any such review to the Government. All costs associated with conducting inquiries into and reporting on components determined to be counterfeit shall be recovered by CH2M HILL from SUBCONTRACTOR.

4.35 Acquisition of Real Property

Notwithstanding any other provision of this Subcontract, the SUBCONTRACTOR will obtain prior approval from the CH2M HILL Procurement Representative when, in performance of this Subcontract, the SUBCONTRACTOR acquires or proposes to acquire use of real property by lease when the Government will ultimately assume the liability for, or will otherwise pay for the obligation under the lease as a reimbursable Subcontract cost.

4.36 Management of SUBCONTRACTOR-Held Government-Owned Property*

This provision applies only if Government-furnished property is specifically identified elsewhere in the Subcontract.

SUBCONTRACTORS shall establish and maintain a system for the management of Government-owned personal property. As a minimum, the management system shall provide for the following:

- Adequate records.
- Controls over acquisitions.
- Identification as Government-owned personal property.
- Physical inventories.
- Proper care, maintenance, and protection.
- Controls over personal property requiring special handling (i.e., nuclear-related, proliferation-sensitive, hazardous, or contaminated property).

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- Reporting, redistribution, and disposal of excess and surplus personal property.
- Accounting for personal property that is lost, damaged, destroyed, stolen, abandoned, or worn out.
- Periodic reports, including physical inventory results and total acquisition cost of Government property.
- An internal surveillance program, including periodic reviews, to ensure that personal property is being managed in accordance with established procedures.

ARTICLE 5.0 OBLIGATIONS OF CH2M HILL

5.1 Changes

The Statement of Work shall be subject to change by additions, deletions or revisions thereto by CH2M HILL. SUBCONTRACTOR will be notified of such changes by receipt of additional and/or revised drawings, specifications, exhibits or other written notification.

SUBCONTRACTOR shall submit to CH2M HILL within ten (10) working days after receipt of notice of a change, a detailed estimate with supporting calculations and pricing for the change together with any requested adjustments in the schedule. The pricing shall be itemized as required by CH2M HILL and shall be in sufficient detail to permit an analysis of all labor, material and equipment and shall cover all work involved in the change, whether such work was deleted, added or modified. Amounts related to subcontracts shall be supported in similar detail. In addition, if the proposal includes a time extension, justification therefore shall also be furnished.

SUBCONTRACTOR shall not perform changes in the Work until CH2M HILL has approved, in writing, the pricing for the change and any adjustment in the schedule for performance of the Work. Upon receiving such written approval from CH2M HILL, SUBCONTRACTOR shall diligently perform the change in strict accordance with this Subcontract.

SUBCONTRACTOR shall not suspend performance of this Subcontract during the review and negotiation of any change, except as may be directed by CH2M HILL pursuant to clause "Suspension of Work." In the event CH2M HILL and SUBCONTRACTOR are unable to reach timely agreement regarding any change, SUBCONTRACTOR shall then comply with the "Claims" clause.

SUBCONTRACTOR shall not comply with verbally directed changes in the Work. If SUBCONTRACTOR believes that any oral notice or instruction received from CH2M HILL will involve a change in the cost, time to perform or integrity of work, it shall require that the notice or instruction be given in writing and shall comply with the provisions. Any costs incurred by SUBCONTRACTOR to perform verbally directed changes shall be for SUBCONTRACTOR's account, and SUBCONTRACTOR waives any and all rights to claim from CH2M HILL for such costs or additional time to perform the Work as a result of compliance by SUBCONTRACTOR with such verbally directed changes.

5.2 Observation of the Work

CH2M HILL reserves the right to inspect or otherwise evaluate the Work during the various stages to observe the progress and quality of the Work and to determine, in general, if the Work is proceeding in accordance with the intent of this Subcontract. CH2M HILL will not be required to make comprehensive or continuous inspections to check quality or quantity of the Work. Visits and observations made by CH2M HILL will not relieve SUBCONTRACTOR of its obligation to conduct comprehensive inspections of the Work, to furnish materials, to perform acceptable Work, and to provide adequate safety precautions in conformance with this Subcontract.

5.3 Limitations of CH2M HILL's Responsibilities*

CH2M HILL will not be responsible for SUBCONTRACTOR's means, methods, techniques, sequences, or procedures of the Work, or the safety precautions including compliance with the programs incident thereto. CH2M HILL will not be responsible for SUBCONTRACTOR's failure to perform the Work in accordance with this Subcontract.

5.4 CH2M HILL's Right to do Work

If SUBCONTRACTOR, in the opinion of CH2M HILL, neglects to prosecute the Work properly or neglects or refuses at its own cost to take up and replace Work rejected by CH2M HILL, then CH2M HILL will, without prejudice to any other right which

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CH2M HILL may have under this Subcontract, take over that portion of the Work which has been improperly executed and make good the deficiencies and deduct the cost thereof from the payments then or thereafter due SUBCONTRACTOR.

5.5 Possession Prior to Completion

CH2M HILL and/or the Government shall have the right to move into SUBCONTRACTOR's working and storage areas and the right to take possession of or use any completed or partially completed part of SUBCONTRACTOR's Work as CH2M HILL or the Government deems necessary for their operations. In the event CH2M HILL or the Government desires to exercise the foregoing right, CH2M HILL will so notify SUBCONTRACTOR in writing. Such possession or use shall not constitute acceptance of SUBCONTRACTOR's Work.

5.6 Technical Representative Responsibilities

CH2M HILL has elsewhere in this Subcontract designated the Buyer's Technical Representative (BTR). The BTR is responsible for monitoring and providing technical guidance for this Subcontract and should be contacted regarding questions or problems of a technical nature. The BTR is also responsible for appropriate surveillance of the SUBCONTRACTOR while on site. In no event, however, will an understanding or agreement, modification, change order, or any deviation from the terms of this Subcontract be effective or binding upon CH2M HILL unless formalized by proper Subcontract documents executed by the CH2M HILL Buyer prior to completion of this Subcontract. On all matters that pertain to Subcontract terms, the SUBCONTRACTOR shall contact the CH2M HILL Buyer specified within this Subcontract. When in the opinion of the SUBCONTRACTOR, the BTR requests or directs efforts outside the existing scope of the Subcontract, the SUBCONTRACTOR shall promptly notify the CH2M HILL Buyer in writing. No action shall be taken until the CH2M HILL Buyer has issued an appropriate modification to the Subcontract.

ARTICLE 6.0 GENERAL LEGAL PROVISIONS

6.1 Entire Agreement

This Subcontract embodies the entire agreement between CH2M HILL and SUBCONTRACTOR and supersedes all other writings. The parties shall not be bound by, or be liable for any statement, representation, promise, inducement, or understanding not set forth herein.

6.2 Notices

Any notices provided for hereunder shall be in writing and may be served either personally on the authorized representative of the receiving party at the jobsite or by registered mail to the address of that party, as shown on the face of the Subcontract Agreement Form or as such address may have been changed by written notice.

6.3 Subcontract Interpretation

All questions concerning interpretation or clarification of this Subcontract, including the discovery of conflicts, errors, or omissions, or the acceptable performance thereof by SUBCONTRACTOR, shall be immediately submitted in writing to CH2M HILL for resolution. All determinations, instructions, and clarifications of CH2M HILL shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. At all times SUBCONTRACTOR shall proceed with the Work in accordance with the determinations, instructions, and clarifications of CH2M HILL. SUBCONTRACTOR shall be solely responsible for requesting instructions or interpretations and shall be solely liable for any costs and expenses arising from its failure to do so.

6.4 Title to Materials Found

The title to water, soil, rock, gravel, sand, minerals, timber, and any other materials developed or obtained in the excavation or other operations of SUBCONTRACTOR or any of its lower-tier subcontractors and the right to use said materials or dispose of same is hereby expressly reserved by the US Department of Energy. Neither SUBCONTRACTOR, its lower-tier subcontractors, nor any of their representatives or employees shall have any right, title, or interest in said materials, nor shall they assert or make any claim thereto. SUBCONTRACTOR may, at the sole discretion of the US Department of Energy, be permitted, without charge, to use in the Work any such materials that meet the requirements of this Subcontract.

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6.5 Survey Control Points and Layouts

Survey control points, as shown on the drawings, will be established by CH2M HILL.

SUBCONTRACTOR shall complete the layout of all Work and shall be responsible for all requirements necessary for the Work execution in accordance with the locations, lines, and grades specified or shown on the drawings, subject to such modifications as CH2M HILL may require as Work progresses.

If SUBCONTRACTOR or any of its lower-tier subcontractors or any of their representatives or employees move or destroy or render inaccurate any survey control point, such control point shall be replaced by CH2M HILL at SUBCONTRACTOR's expense. No separate payment will be made for survey Work performed by SUBCONTRACTOR.

6.6 Confidential and Proprietary Information

CH2M HILL possesses information of a confidential and proprietary nature about businesses, products, Services, and processes of CH2M HILL and the Government. This information, which relates to designs, technical experience, classified information, software, processing systems, databases, financial and other data, intellectual property including trade secrets, customers and vendors, personnel records, research, development, inventions, construction plans, manufacturing, engineering, accounting, bid data, sales and marketing including Subcontract terms, and any information generated pursuant to Work performed in accordance with the Subcontract (collectively, Confidential Information), constitutes a commercial asset of considerable value to CH2M HILL and the Government. SUBCONTRACTOR shall use such Confidential Information only for the purpose of performing Work in accordance with the Subcontract and not disclose such Confidential Information to any other person (including the media for purposes of publicity), partnership, venture, firm, government, or corporation without the express written consent of CH2M HILL or the Government, as appropriate. SUBCONTRACTOR further shall make all reasonable efforts to require its employees and any others, including lower-tier subcontractors, to maintain such Confidential Information in strictest confidence.

Confidential information shall not include the following:

- Information that is acquired by SUBCONTRACTOR from others who have no confidential commitment to CH2M HILL or the Government; or
- Information that is part of the public domain or becomes, without fault or participation of SUBCONTRACTOR, part of the public domain, by publication or otherwise; or
- Information that is in SUBCONTRACTOR's possession prior to CH2M HILL's or the Government's disclosure to it; or
- Information that is developed independently by SUBCONTRACTOR; or
- Information that is required to be publicly disclosed under operation of law, for which SUBCONTRACTOR will provide at least five (5) days notice to CH2M HILL or the Government, as appropriate, before disclosure.

All drawings, specifications, prints, financial and other data, and any other written or electronically encoded materials (collectively, 'Documentation') furnished by CH2M HILL and the Government to SUBCONTRACTOR shall remain CH2M HILL's property. In addition, all Documentation developed by SUBCONTRACTOR in the performance of Work in accordance with the Subcontract shall become the CH2M HILL's property. Upon completion of Work, SUBCONTRACTOR shall either destroy or return such Documentation and any other Confidential Information reduced to tangible or electronic form, including copies thereof, to CH2M HILL unless CH2M HILL consents to otherwise.

Nothing contained in the Subcontract, or in any disclaimer made by CH2M HILL or the Government, shall be construed to grant SUBCONTRACTOR any license or other rights in or to disclosed Confidential Information or any patent, trademark, or copyright that has been or may be issued unless expressly conveyed by written agreement exclusive of the Subcontract.

In the event that Work performed by SUBCONTRACTOR in accordance with the Subcontract involves the collection or generation of data on persons or associations, SUBCONTRACTOR shall maintain strict confidentiality of records in accordance with the Privacy Act of 1974 (5 U.S.C. 552a), provisions of the Fair Credit Reporting Act (15 U.S.C. 1681), and applicable federal and state agency regulations. Violations of these statutes may result in criminal penalties."

6.7 Claims for Extra Work

In any case where SUBCONTRACTOR deems additional compensation will become due, SUBCONTRACTOR will notify CH2M HILL, in writing, of its intention to make claim for such compensation before it begins the Extra Work on which it bases the claim. If such notification is not given or SUBCONTRACTOR fails to keep strict account of actual cost, then SUBCONTRACTOR hereby agrees to waive the claim for such additional compensation. Such notice by SUBCONTRACTOR, and the fact that CH2M HILL has kept account of the cost, will not be construed as proving the validity of the claim. Claims for additional compensation shall be made in detail and submitted, in writing, to CH2M HILL within 10 days following completion

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of that portion of the Extra Work for which SUBCONTRACTOR bases its claim. In case the claim is found to be just, it will be allowed and paid for as provided in this Subcontract.

6.8 Assignment

SUBCONTRACTOR shall not assign any of the duties or rights or any claim arising out of or related to this Subcontract, whether arising in tort, Subcontract or otherwise, without the written consent of CH2M HILL. Any unauthorized assignment is void and unenforceable. These conditions and the entire Subcontract are binding on the heirs, successors, and assigns of the SUBCONTRACTOR.

CH2M HILL may assign this Subcontract, in whole or in part to the DOE or to such party as the DOE may designate to perform CH2M HILL's obligations hereunder. Upon receipt by SUBCONTRACTOR of written notice that the DOE or a party so designated by the DOE or CH2M HILL has accepted an assignment of this Subcontract, CH2M HILL shall be relieved of all responsibility hereunder and SUBCONTRACTOR shall thereafter look solely to such assignee for performance of CH2M HILL's obligations.

6.9 Termination

6.9.1 Termination for Convenience

CH2M HILL may terminate all or part of this Subcontract for its convenience. In such event, SUBCONTRACTOR will be entitled to compensation for Work performed up to the date of termination and reasonable termination expenses as determined within the discretion of CH2M HILL. SUBCONTRACTOR will not be entitled to compensation or profit on Work not performed. If the Government terminates CH2M HILL's prime Subcontract with the U. S. Department of Energy, in whole or in part, this Subcontract may be similarly terminated. Should the Subcontract be terminated, in whole or in part, for the convenience of the Government, termination will be conducted in accordance with Part 49 of the Federal Acquisition Regulation (FAR) and the applicable FAR clauses referenced below.

A. *FAR 52.249-2, Termination for Convenience of the Government (Fixed-Price) (SEP 1996)*. The terms of this clause shall apply with the following modifications:

1. Terms: In the clause text the term "Government" shall mean "CH2M HILL." The term "Contractor" shall mean "SUBCONTRACTOR." The terms "Contracting Officer" shall mean "CH2M HILL Buyer" and "subcontract" shall mean "lower-tier subcontract."
2. In paragraph (c) of the clause, change the 120-day period to a 90-day period.
3. Delete paragraphs (d) and (j) in their entirety.
4. In paragraph (e) of the clause, revise the period of 1-year to be 6 months.
5. In paragraph (l) of the clause, change the 90-day period to a 45-day period.

6.9.2 Termination for Default

CH2M HILL may, by written notice, terminate the whole or any part of this Subcontract for default in the event that SUBCONTRACTOR fails to perform any of the provisions of this Subcontract, or fails to make progress as to endanger performance of this Subcontract in accordance with its terms, or, in the opinion of CH2M HILL, becomes financially or legally incapable of completing the Work and does not correct such to CH2M HILL's reasonable satisfaction within a period of 7 days after receipt of notice from CH2M HILL specifying such failure. If, after notice of termination, it is determined for any reason that SUBCONTRACTOR was not in default or that the default was excusable, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to "TERMINATION FOR CONVENIENCE OF CH2M HILL." In the event of termination for default, SUBCONTRACTOR will not be entitled to termination expenses.

Regardless of the cause of termination, the SUBCONTRACTOR shall deliver to CH2M HILL legible copies of all completed or partially completed work products and instruments of service and all materials and equipment previously paid for by CH2M HILL.

In no case shall termination for any cause constitute a claim for consequential damages or damages based on loss of anticipated profits.

The rights and remedies of CH2M HILL provided in this Article will not be exclusive and are in addition to any other rights and remedies provided by law or equity or under this Subcontract.

6.10 Delays and Extension of Time

If SUBCONTRACTOR intends to file a claim for extension of time for a delay, it will, within 48 hours of the occurrence, give written notice of claim to CH2M HILL stating the circumstances, the possible extension involved, and the reasons for the claim.

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Within 7 days after the cause of delay has been remedied, SUBCONTRACTOR will give written notice to CH2M HILL of the actual time extension requested.

Within 15 days after SUBCONTRACTOR submits to CH2M HILL a specific written request for an extension of time, CH2M HILL will present its written opinion to Government as to whether an extension of time is justified, and, if so, a recommendation as to the number of days for time extension. Upon Government's approval, CH2M HILL will make the final decision on the request for extension of time.

No extension of time will be considered for weather conditions normal to the area in which the Work is being performed. Unusual weather conditions, if determined by CH2M HILL to be of a severity that would stop all progress of the Work, may be considered as cause for an extension of completion time.

Delays in delivery of equipment or material purchased by SUBCONTRACTOR or its lower-tier subcontractors (including CH2M HILL-selected equipment) or failure of SUBCONTRACTOR or its lower-tier subcontractors to perform will not be considered as a just cause for delay. SUBCONTRACTOR shall be fully responsible for the timely ordering, scheduling, expediting, delivery, and installation of all equipment and materials.

6.11 Consequential Damages

Neither Party shall be responsible or held liable to the other for indirect or consequential damages, including, but not limited to, loss of profit, loss of investment, loss of product or business interruption. Except for the obligation to make payments, neither Party shall be in default hereunder to the extent such default is caused by a cause beyond each Party's reasonable control. The warranties, obligations, liabilities and remedies of the parties, as provided herein, are exclusive and in lieu of any options available at law or in equity. Releases from, and limitations of liability and waivers of subrogation shall apply notwithstanding the fault, negligence (whether active, passive, joint or concurrent), strict liability or other theory of legal liability of the Party released or whose liability is limited and shall be effective to, and apply to, the maximum extent allowable by law and in the event such provision is determined to exceed the maximum scope allowed by law, said provision shall be interpreted and enforced so as to preserve, release or limitation to the maximum extent allowable. The Parties agree to look solely to each other with respect to performance of this agreement.

6.12 Governing Law

Irrespective of the place of performance, this Subcontract will be construed and interpreted according to the Federal Common Law of Government Contracts as enunciated and applied by Federal judicial bodies, Boards of Contract Appeals and quasi-judicial agencies of the Federal Government. To the extent that the Federal Common Law of Government Contracts is not dispositive, the law of the State of Washington shall apply. In the event that either party hereto must resort to litigation to enforce a right or remedy conferred by law, equity or the provisions of this Subcontract, the parties hereby consent to the action being brought in the court of competent jurisdiction in the state of Washington.

6.13 Severability and Survival

If any of the provisions contained in this Subcontract are held invalid, illegal, or unenforceable, the enforceability of the other remaining provisions shall not be affected or impaired thereby. Limitations of liability, indemnities, and other express representations shall survive termination of this Subcontract for any cause.

6.14 Force Majeure

Neither party to this Subcontract will be liable to the other party for delays in performing the Work, or for the direct or indirect cost resulting from such delays, that may result from acts of God, acts of governmental authorities, extraordinary weather conditions or other natural catastrophes, or any other cause beyond the reasonable control or contemplation of either party. Each party will take reasonable steps to mitigate the impact of any force majeure. CH2M HILL will adjust the schedule and compensation under this Subcontract to the extent that CH2M HILL's schedule and compensation are equitably adjusted by Government.

6.15 Authorization to Proceed

Execution of this Subcontract by CH2M HILL will be authorization for SUBCONTRACTOR to proceed with the Work unless otherwise provided for in this Subcontract.

6.16 No Third-Party Beneficiaries

This Subcontract gives no rights or benefits to anyone other than SUBCONTRACTOR and CH2M HILL, and has no third-party beneficiaries.

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6.17 Work

The word "Work" will include all material, labor, tools, and all appliances, machinery, and transportation, necessary to perform and complete the Scope of Work, and such additional items not specifically indicated or described that can be reasonably inferred as belonging to the item described or indicated and as required by good practice to provide a complete and satisfactory system. As used herein, "provide" will be understood to mean "furnish and install, complete in-place."

6.18 Arbitration

In the event that CH2M HILL is required to arbitrate a dispute with a third party, which dispute arises out of or is directly related to this Subcontract, SUBCONTRACTOR agrees to join in such arbitration proceeding as CH2M HILL may direct and shall submit to such jurisdiction and be finally bound by the judgment rendered in accordance with the arbitration rules as may be established therein.

6.19 Disputes

In the event that the parties cannot, through reasoned negotiations, reach agreement on any issue arising out of the Subcontract, the issue will be considered a dispute and shall be resolved in accordance with the following:

If efforts at resolution through good faith discussions and/or negotiations fail to resolve the dispute, the parties agree that before taking any other action, they will consider the use of Alternate Dispute Resolution (ADR). In the event that non-binding mediation or arbitration is agreed upon, the site of the proceedings shall be Richland, Washington, unless otherwise agreed in writing by the parties. The rules for mediation or arbitration and the selection of the arbitrator shall be determined by mutual agreement of the parties. The mediator or arbitrator shall allocate cost, except that there shall be no pre-decisional interest costs, and each party shall bear its discretionary costs.

In the event ADR fails or is not used, primary jurisdiction for the resolution of any claim arising under this Subcontract shall reside in the United States Federal District Court with venue in the United States District Court for the District of Washington in Richland, Washington. If the requirements for jurisdiction in the United States District Court are not met, the litigation shall be brought in a Court of competent jurisdiction in Benton County, Washington. This Subcontract shall be enforced and interpreted, irrespective of the place of performance, in accordance with the Federal law of government contracts. To the extent that Federal law is not dispositive of an issue, the laws of the State of Washington shall be applied.

Unless otherwise directed in writing by CH2M HILL, SUBCONTRACTOR shall proceed diligently with the performance of the Subcontract pending final resolution of the dispute.

6.20 Validity of Provisions

In the event any clause, or any part or portion of any clause of this Subcontract shall be held invalid, void or otherwise unenforceable, such holding shall not affect the remaining part or portions of that clause, or any other clause hereof.

6.21 Waiver

CH2M HILL's failure to insist on performance of any term, condition, or instruction, or to exercise any right or privilege included in this Subcontract, or its waiver of any breach, shall not thereafter waive any such term, condition, instruction, and/or any right or privilege. No asserted waiver of any right or benefit by CH2M HILL shall be valid unless such waiver is in writing, signed by CH2M HILL, supported by consideration and specifies the extent and nature of the rights or benefits being waived.

6.22 Interpretation

Heading and titles of Clauses, Sections, paragraphs or other subparts of this Subcontract are for convenience of reference only and shall not be considered in interpreting the text of this Subcontract. No provision in this Subcontract is to be interpreted for or against any party because that party or its counsel drafted such provision.

ARTICLE 7.0 GENERAL LIMITATIONS, REQUIREMENTS, AND WORKING CONDITIONS

7.1 Orientation

Prior to entry by the SUBCONTRACTOR onto the Worksite, the SUBCONTRACTOR's supervisory employees shall attend a general orientation (to be conducted by the Buyer) to acquaint themselves with the working conditions and requirements to be imposed at the Worksite. It shall be the responsibility of the SUBCONTRACTOR to orient all its other employees, its Subcontractors and their employees, as to such working conditions and requirements.

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7.2 Overhead Restrictions

Under no conditions shall the SUBCONTRACTOR operate or move cranes, hoists or similar equipment within twenty (20) feet of overhead electrical conductors, guy wires, or substations, unless prior authorization for such operations is obtained from CH2M HILL, giving full details of the method of equipment operations. Authorization from CH2M HILL shall also be obtained when transporting materials, machinery, or other equipment which establishes a height exceeding fourteen (14) feet from the road and/or ground surface.

7.3 Oversize/Overweight Requirements

Shippers shall require vehicle operators to obtain a permit when the vehicle or non-reducible load exceeds the following dimensions and or weight:

Legal Dimensions:

Width: 8 feet, 6 inches

Height: 14 feet

Length: with or without load

Single unit: 40 feet

Single trailers: 53 feet

Combination:

Truck and trailer: 75 feet

Two trailers: 61 feet

Legal Weights:

Single axle: 20,000 pounds

Tandem axles: 34,000 pounds

Steering axles: tire size x 600 pounds per inch of width

Permits for overweight loads may be obtained for a higher gross weight if the load concentration upon the road surface does not exceed 600 pounds per inch width of tire, 22,000 pounds on a single axle or 43,000 pounds on tandem axles.

Movement of any oversize or overweight load within the Hanford Site boundaries shall be in accordance with the Washington Administrative Code (WAC) and Revised Code of Washington (RCW).

Oversize/overweight Load Permits shall be obtained by calling 376-9167 or Fax 376-8156 before transporting oversize or overweight loads on Hanford Site roads.

If oversize or overweight loads are transported off the Hanford Site over state or county roads, an oversize load permit must be obtained from the Washington State Department of Transportation (fees apply).

Weather permitting, Hanford Site over-dimensional load movement is restricted Monday through Friday to the hours of 8:30 a.m. through 3:00 p.m., with other days and times as stated in the permit.

Oversize load signs (at least 7 feet long and 18 inches high with black lettering at least 10 inches high in 1.41 inch brush stroke on yellow background) will be mounted on the front of the towing vehicle and on the rear of the load or trailing unit. Such signs are to be displayed only when the unit is in transit and must be removed or retracted at all other times. Signs are not required on loads that are overweight only.

All flags shall be clean, bright red flags at least 12 inches square. They shall be displayed so as to wave freely on all four corners of over-width objects and at the extreme ends of all protrusions, projections, or overhangs.

Escort car requirements:

- When vehicle, vehicles, or load is over 11 feet in width, escort cars (both front and rear) are required on a two-lane highway.
- When vehicle, vehicles, or load is over 14 feet wide, one escort car in the rear is required on multiple-lane highway.

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- When vehicle, vehicles, or load is over 20 feet wide, escort cars in both front and rear are required when the highway is a multiple-lane, undivided highway.
- When overall length of load, including vehicles, exceeds 100 feet or when rear overhang of load measured from the last axle exceeds one-third of the total length, one escort car is required on two-lane highways. The permit may authorize a riding flagperson in lieu of an escort car.
- If required by Site Transportation, escort cars shall be used when they are necessary to protect the traveling public.

Communication. Both towing unit and escort vehicles shall have two-way radio capabilities, adequate to provide communications between drivers at all times during which the oversize unit is in motion.

Prior to travel, for vehicles more than 14 feet high, a route with safe overhead clearances must be selected and reviewed with the driver. Routing and schedules shall be coordinated with Utility Operations (373-2077 or 373-2352) and Railroad Operations (376-6753).

Road closures require advising Hanford Patrol 373-3800, Fire Department 373-2745, and the Benton County Sheriff's office (376-1022 or cc:mail: *Benton County Sheriff Office)

Rubber-tired heavy equipment with road capability traveling on highways must be equipped with "SLOW MOVING VEHICLE" signs on the rear. Buckets, forkheels, etc., shall be kept as low as possible; if they extend more than 3 feet ahead of the vehicle, they shall be flagged for daylight use and marked with yellow lights in darkness. Tracked units, i.e., bulldozers, are not to be operated on paved roads except for approved crossings.

Special permits do not authorize the operation of any vehicle without having the load securely fastened and protected against shifting or falling in accordance with the Code of Federal Regulation, Title 49, part 393.100, RCW 46.61.655, WAC 468-38-200.

7.4 Explosives

The use of explosives requires express written authorization from CH2M HILL.

7.5 Heavy Equipment.

Heavy equipment will not be allowed to cross existing paved roadways unless such roadway is protected by rubber tires or other adequate protection such as heavy planking. Movement of heavy equipment equipped with crawler-type treads on existing paved surfaces is forbidden and such equipment must be transported to the Worksite on rubber-tired trailers. Upon completion of the Work, the equipment shall be promptly removed from the Worksite.

7.6 Work Area Housekeeping

The SUBCONTRACTOR shall at all times keep the Work area, including storage areas used by it, in an orderly condition free from accumulations of waste materials or rubbish. All materials shall be kept in neat piles and protected from the elements until installed. Prior to or upon completion of the Work, the SUBCONTRACTOR shall remove from the Worksite all rubbish, and all tools, scaffolding, equipment and materials not the property of the Government or CH2M HILL. Upon completion of the Work, the SUBCONTRACTOR shall leave the construction area in a clean, neat condition, satisfactory to CH2M HILL.

7.7 Work Area Limitations

The SUBCONTRACTOR shall restrict its personnel and operations to the limits of the Work area. Any changes and or modifications to existing installations located at the outer limits of the Work area shall be permitted only after specific approval is received from CH2M HILL.

7.8 System Outages

Work which requires any existing building utility system (excluding fire protection) to be taken out of service shall be scheduled and performed so that the length of time the utility is out of service is held to a minimum. All material for alteration and tie-in

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work shall be on hand when each utility service interruption is scheduled. The SUBCONTRACTOR shall notify CH2M HILL not less than fourteen (14) calendar working days prior to each required utility shutdown. All tie-in work shall be scheduled and performed so that the shutdown time will not exceed four (4) hours for water and two (2) hours for electrical or fire alarm. Methods of performing the tie-in work shall be approved by CH2M HILL prior to any utility system outage. Prior approval must be obtained for connection to and use of existing fire hydrants.

7.9 Removal and Disposal of Existing Equipment and/or Materials

All miscellaneous items removed by the SUBCONTRACTOR and not specified to be reused shall remain the property of the Government, and shall be placed at a location adjacent to the Worksite as directed in the field by CH2M HILL.

7.10 Special Excavation Requirements

- Where required, the SUBCONTRACTOR shall provide cribbing for excavation to prevent undermining or movement of any load bearing concrete slabs or footings. All excavations shall require a special permit and comply with OSHA and WISHA regulations.
- In the event any underground pipe line, conduit or other object not shown on the drawings or otherwise indicated in the Specifications is encountered, the SUBCONTRACTOR shall immediately stop work and notify CH2M HILL.
- Except as otherwise specified, protection (and restoration) of existing facilities shall be as specified in Section 7.0. All underground piping, conduits, ducts, and other utilities shall be safely shored, braced and/or guyed as specified in the above referenced section.

7.11 Fire Protection Outages

Work which requires a fire alarm system, fire sprinkler system or fire hydrant to be taken out of service shall be scheduled so that the length of reduced system performance is minimized. If the outage is due to alteration or tie-in, all materials required to complete the work shall be on hand before the start of the alteration or tie-in. The SUBCONTRACTOR shall notify CH2M HILL at least five (5) working days before starting work which will require a system outage. Notification shall identify portions of the system which will be affected. CH2M HILL will coordinate the outage with the SUBCONTRACTOR and others, and arrange for fire department standby if required. If a fire alarm system is to be out of service for more than four (4) consecutive hours, a CH2M HILL approved fire watch shall be provided by the SUBCONTRACTOR, for those areas of a building affected by the outage. If a fire sprinkler system is to be out of service for more than four (4) consecutive hours, a building shall either be evacuated or a CH2M HILL approved fire watch shall be provided by the SUBCONTRACTOR. The building evacuation or fire watch shall be maintained until the fire alarm or sprinkler system is returned to service.

7.12 Railroad Right of Way

Any construction activity within 25 feet of the centerline of railroad tracks extending to 100 feet in some areas must be coordinated with CH2M HILL's Railroad Operations.

7.13 Cultural Ecological Resources Awareness

SUBCONTRACTOR shall comply with the provisions of the Native American Graves Protection Act 25 USC 3001-3013. This act establishes statute provisions for the treatment of Native American remains and cultural objects. If during the performance of this Subcontract, SUBCONTRACTOR discovers Native American remains and/or cultural objects, SUBCONTRACTOR shall immediately cease work in the affected work area, take reasonable efforts to protect the items discovered, and notify the Subcontract Technical Representative. Work in the affected area may be prohibited for a period not to exceed thirty (30) days. Cessation of work under the provisions of this article for periods of up to thirty (30) days shall not be cause for an excusable delay and no additional compensation shall be warranted.

Cultural resources are known to exist on the Hanford Reservation. The SUBCONTRACTOR shall use previously disturbed areas, whenever possible, while conducting work activities. The SUBCONTRACTOR shall also ensure workers are trained to recognize culturally significant resources. CH2M HILL provides a one (1) hour training class for SUBCONTRACTORS employees. SUBCONTRACTOR Is responsible for all labor costs associated with this training. All workers shall be directed to visually inspect for cultural resources during all work activities, particularly in undisturbed areas. If any cultural resources are

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encountered, work in the vicinity of the discovery shall be suspended immediately. In the even of any such discoveries, the SUBCONTRACTOR shall immediately notify the CH2M HILL onsite representative.

All Ground disturbing work requires a current ecological review by CH2M HILL. If no nesting birds or other sensitive species are identified in the proximity of the excavation area, work can proceed. If evidence of a curlew nest or other species are found, the SUBCONTRACTOR's work may proceed at a location away from the nest location depending on site conditions, upon approval from CH2M HILL, at no additional cost or schedule extension to CH2M HILL.

7.14 Temporary Access and Haul Roads

SUBCONTRACTOR shall, at its expense, construct and maintain temporary access and haul roads as may be necessary for the proper performance of this Subcontract. SUBCONTRACTOR shall submit a layout of all proposed roads prior to road construction. The layout shall show widths of roads, direction of traffic, curves, grades, and related information in sufficient detail for review by CH2M HILL. Roads constructed shall be subject to CH2M HILL's approval.

SUBCONTRACTOR maintained roads shall be left in good working condition, including by not limited to, elimination of potholes, uniformly graded for travel and drainage, and shoulders dressed at the completion of Work and prior to final payment. SUBCONTRACTOR shall be responsible for removal of all snow, water, debris, and all other deleterious materials on the jobsite access roadways, as well as parking lots and SUBCONTRACTOR's utilized roads, Container Transfer Facility, etc. until completion of the Work Scope and final acceptance by CH2M HILL.

ARTICLE 8.0 WORK AND OPERATIONS AT THE WORKSITE REQUIRING SPECIFIC APPROVAL

8.1 Working Hours

The SUBCONTRACTOR shall not perform work at the Worksite on other than regular day shift, as set out in the Specifications, unless it has given prior approval to CH2M HILL and has received written notification in advance.

The SUBCONTRACTOR shall give CH2M HILL at least two (2) hours prior notice if its employees are to be working after the normal shift period Monday through Friday. The SUBCONTRACTOR shall give CH2M HILL notice on the prior working day if its employees will be working before normal shift hours, Monday through Friday, or will be working at any time on Saturday, Sunday, or holidays. The notice shall include the type of work to be performed, location of work, date and hours of work, and description of any heavy equipment to be used. CH2M HILL advance approval is required any time work is to be performed at other than normal shift periods.

8.2 Moving of Equipment

The SUBCONTRACTOR shall notify CH2M HILL at least two (2) working days prior to the date it proposes to move any heavy equipment into or from the Worksite and shall not move any such equipment in or from the Worksite until receipt of written approval from CH2M HILL.

8.3 Electrical System Tie-Ins and Equipment Testing

When a tie-in is required to the existing plant electrical systems of four hundred eighty (480) volts or higher, the SUBCONTRACTOR shall contact CH2M HILL at least fourteen (14) working days prior to the desired tie-in date and shall not tie-in until receipt of CH2M HILL's approval.

After acceptance but prior to final energization, CH2M HILL will perform certain necessary testing, not included in this Subcontract, of new service equipment and facilities. These tests will include high voltage D.C., tests of power cable, Dobie test of transformers and switchgear insulation, oil sampling, transformer turn ratio, etc.

8.4 Receipt of SUBCONTRACTOR's Supplies and/or Equipment at Site

The SUBCONTRACTOR shall not schedule supplies and/or equipment for delivery to the Hanford Site until such time as the SUBCONTRACTOR is mobilized to receive or accept their property at the Worksite. The SUBCONTRACTOR shall not be permitted to use the Buyer's mailing address and in no case shall material or equipment be addressed in care of the Buyer. It is recognized that special conditions may exist that would warrant assistance in the delivery of equipment or materials by the Buyer. However, the SUBCONTRACTOR must have explicit prior written permission and authorization from the Buyer prior to delivery. Any deviation from this requirement will result in a backcharge to the SUBCONTRACTOR for any costs incurred by the Buyer for coordinating the delivery.

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8.5 Protection of Products and Work

The SUBCONTRACTOR shall protect and preserve all products of every description (including products which may be CH2M HILL furnished or Government owned) and all work performed. Until the Work is accepted as completed, SUBCONTRACTOR shall have the risk of loss for damage to, loss or destruction of the Work, and for such products. If, as determined by CH2M HILL, products and work performed are not adequately protected by the SUBCONTRACTOR they may be protected by CH2M HILL and the cost incurred by CH2M HILL charged to or deducted from any payments due the SUBCONTRACTOR.

8.6 Protection of Existing Facilities

The existing facilities that are shown on the drawings, identified in the specifications, marked in the field, or the location of which are reasonably determinable by the SUBCONTRACTOR shall be protected from damage by the SUBCONTRACTOR and if damaged, shall be reported immediately to CH2M HILL. Any required repairs shall then be made by the SUBCONTRACTOR, or by others, in a manner approved by CH2M HILL, at the SUBCONTRACTOR's expense.

The SUBCONTRACTOR shall protect from damage all existing improvements and utilities (1) at or near the Worksite and (2) on adjacent property of a third party, the locations of which are made known to or should be known by the SUBCONTRACTOR. The SUBCONTRACTOR shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this Subcontract or failure to exercise reasonable care in performing the Work. If the SUBCONTRACTOR fails or refuses to repair the damage promptly, CH2M HILL may have the necessary work performed and charge the cost to the SUBCONTRACTOR.

When underground facilities which are not shown on the drawings, identified in the specifications, marked in the field, or the locations of which are not reasonably determinable by the SUBCONTRACTOR, are encountered by the SUBCONTRACTOR, work at such locations shall be stopped immediately and CH2M HILL notified. Work at such locations shall not continue until released by CH2M HILL.

Any damage to existing facilities that are not shown on the drawings, identified in the specifications, marked in the field, or the locations of which are not reasonably determinable by the SUBCONTRACTOR in sufficient time to avoid damage shall be reported immediately to CH2M HILL. Work at such locations shall not continue until released by CH2M HILL. Any required repairs shall be made by the SUBCONTRACTOR, or by others, in a manner approved by CH2M HILL. If the repairs are made by the SUBCONTRACTOR, an equitable adjustment shall be made and the Subcontract shall be modified in writing accordingly. If other extra expense is incurred by the SUBCONTRACTOR due to the existence of facilities that are not shown on the drawings, identified in the specifications, marked in the field, or the locations of which are not reasonably determinable by the SUBCONTRACTOR at the time of bidding, an equitable adjustment will be made and the Subcontract modified in writing accordingly.

When excavation work endangers the stability of known existing facilities, the SUBCONTRACTOR shall provide adequate shoring, bracing and temporary guying to protect the facilities until backfilling is completed. This protection shall be in the SUBCONTRACTOR's responsibility.

8.7 Hanford Site Stabilization Agreement

The Site Stabilization Agreement for all construction work for the DOE at the Hanford Site consists of a Basic Agreement dated September 10, 1984, plus an Appendix A. The Site Stabilization Agreement will be made a part of this Subcontract by reference upon award. The SUBCONTRACTOR shall be required to comply with the most current Site Stabilization Agreement, and as modified throughout performance of the Subcontract. CH2M HILL may from time to time provide notice to the SUBCONTRACTOR of any changes in wages, fringe benefits, and other employee compensation, as the Site Stabilization Agreement, including all current appendices thereto, may be modified by the parties thereto. SUBCONTRACTOR shall not be entitled to any change in the Subcontract price due to any such changes in wages, or fringe benefits or other employee compensation pursuant to modification of the Site Stabilization Agreement during the term of this Subcontract.

This provision applies to employees performing work under this Subcontract or Subcontracts subject to the Davis-Bacon Act, in the classifications set forth in the Site Stabilization Agreement for work performed at the Hanford Site.

SUBCONTRACTORS and lower-tier subcontractors who are parties to an agreement(s) for construction work with a local union having jurisdiction over RL construction work performed at the Hanford Site, or who are parties to a national labor agreement for such construction work, shall become signatory to the Site Stabilization Agreement and shall abide by all of its provisions, including its Appendix A. Subcontractors, at all tiers, who have Subcontracts with a signatory SUBCONTRACTOR or lower-tier subcontractors shall become signatory to the Site Stabilization Agreement and shall abide by all of its provisions, including its Appendix A.

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SUBCONTRACTORS and lower-tier subcontractors who are not signatory to the Site Stabilization Agreement and who are not required under these provisions above to become signatory to the Site Stabilization Agreement shall pay not less and no more than the wages, fringe benefits, and other employee compensation set forth in Appendix A and shall adhere, except as otherwise directed by CH2M HILL, to the following provisions of the Site Stabilization Agreement:

Article VII Employment, Section 2 only

Article XII Non-Signatory Contractor Requirements

Article XIII Hours of Work, Shifts, and Overtime

Article XIV Holidays

Article XV Wage Scales and Fringe Benefits, Sections 1 & 2 only

Article XVII Payment of Wages-Checking In & Out, Section 3 only

Article XX General Working Conditions

Article XXI Safety and Health

The SUBCONTRACTOR agrees to make no contributions in connection with this Subcontract to Industry Promotion Funds, or similar funds, except with the prior approval of CH2M HILL.

The obligation of the SUBCONTRACTOR and its lower-tier subcontractors to pay fringe benefits shall be discharged by making payments required by this Subcontract in accordance with the provisions of the amendments to the Davis-Bacon Act contained in the Act of July 2, 1964, (Public Law 88-349-78 Stat. 238-239) and the Department of Labor regulations in implementation thereof (29 CFR, Parts 1, 3, 5).

CH2M HILL may direct the SUBCONTRACTOR to pay amounts for wages, fringe benefits, and other employee compensation if the Site Stabilization Agreement, including its Appendix A, is modified by the involved parties.

(1) In the event of failure to comply with these provisions, or failure to perform any of the obligations imposed upon the SUBCONTRACTOR and its lower-tier subcontractors, CH2M HILL may withhold any payments due to the SUBCONTRACTOR and may terminate the Subcontract for default.

(2) The rights and remedies of CH2M HILL and the Government provided in these provisions above shall not be exclusive and are in addition to any other rights and remedies of CH2M HILL and the Government provided by law or under this Subcontract.

The requirements of this paragraph are in addition to, and shall not relieve the SUBCONTRACTOR of any obligation imposed by other paragraphs of this Subcontract, including those entitled "Davis-Bacon Act", "Contract Work Hours and Safety Standards Act-Overtime Compensation", "Payrolls and Basic Records", "Compliance with Copeland Act Requirements", "Withholding of Funds", and "Contract Termination--Debarment".

The SUBCONTRACTOR agrees to maintain its bid or proposal records showing rates and amounts used for computing wage and other compensation, and its payroll and personnel records during the course of work subject to this Clause, and to preserve such records for a period of three years thereafter for all employees performing such work. Such records will contain the name, address, social security number of each such employee, correct classification, rate of pay, daily and weekly number of hours worked, and dates and hours of the day within which work was performed, deductions made, and amounts for wages and other compensation covered by these provisions. The SUBCONTRACTOR agrees to make these records available for inspection by CH2M HILL and the Government and will permit employee interviews during working hours on the job.

The SUBCONTRACTOR agrees to insert this provision, in all subcontracts for the performance of work subject to the Davis-Bacon Act.

ARTICLE 9.0 SUPPLEMENTAL TERMS AND CONDITIONS

General Intent. This Agreement is subject to the terms and conditions of CH2M HILL's Prime Contract Number DE-AC27-99RL14047. The general intent of these provisions is to incorporate into the purchase order or Subcontract all required Federal Acquisition Regulation (FAR) and Department of Energy Acquisition Regulation (DEAR) flow-down contract clauses, and any other state or federally-mandated contract clauses, which are required to be so incorporated either by the FAR, DEAR, CH2M HILL's Prime Contract or applicable state or federal law.

To reference the cited FAR and DEAR flowdown clauses, the following web addresses are provided:

<http://farsite.hill.af.mil/>

<http://farsite.hill.af.mil/vfdoea.htm>

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Substitution of the Parties. Wherever required to make any FAR, DEAR, or Prime Contract clause incorporated herein to be meaningful, the term “Contractor” shall be read “SUBCONTRACTOR,” and the term “Government” or “Contracting Officer” shall be read “CH2M HILL” with the exception of DEAR 952.250-70, *Nuclear Hazards Indemnity Agreement* (June 1996).

Specific Incorporated Clauses. Without in any way limiting the FAR, DEAR, or Prime Contract clauses to be incorporated herein, the following FAR and DEAR Contract Clauses are hereby specifically incorporated herein by reference with the same force and effect as if they were given in full text.

9.1 Federal Acquisition Regulation (48 CFR Chapter 1) Clauses and Department of Energy Acquisition Regulation (DEAR) Requirements

Applicable to all orders

- | | |
|---------------------|---|
| 1. FAR 52.202-1 | Definitions (Dec 2001)(As Supplemented by DEAR 952.202-1) |
| 2. FAR 52.203-3 | Gratuities (Apr 1984)* |
| 3. FAR 52.211-5 | Material Requirements (Oct 1997)* |
| 4. FAR 52.223-3 | Hazardous Material Identification and Material Safety Data (Jan 1997) (Alternate I – Jul 1995)* |
| 5. FAR 52.224-1 | Privacy Act Notification (Apr 1984)* |
| 6. FAR 52.224-2 | Privacy Act (Apr 1984)* |
| 7. FAR 52.225-13 | Restrictions on Certain Foreign Purchases (Jul 2000)* |
| 8. FAR 52.227-4 | Patent Indemnity – Construction Contracts (Apr 1984) * |
| 9. FAR 52.227-14 | Rights in Data – General (Modified per DEAR 927.409(a)) (Jun 1987) (Alternate V)* |
| 10. FAR 52.227-16 | Additional Data Requirements (Jun 1987)* |
| 11. FAR 52.236-2 | Differing Site Conditions (Apr 1984)* |
| 12. FAR 52.236-3 | Site Investigation and Conditions Affecting the Work (Apr 1984)* |
| 13. FAR 52.236-5 | Material and Workmanship (Apr 1984)* |
| 14. FAR 52.236-6 | Superintendence by the Contractor (Apr 1984)* |
| 15. FAR 52.236-8 | Other Contracts (Apr 1984)* |
| 16. FAR 52.236-9 | Protection of Existing Vegetation, Structures, Equipment, Utilities, and Improvements (Apr 1984)* |
| 17. FAR 52.236-10 | Operations and Storage Areas (Apr 1984)* |
| 18. FAR 52.236-11 | Use and Possession Prior to Completion (Apr 1984)* |
| 19. FAR 52.236-12 | Cleaning Up (Apr 1984)* |
| 20. FAR 52.236-13 | Accident Prevention (Nov 1991)* |
| 21. FAR 52.236-14 | Availability and Use of Utility Services (Apr 1984)* |
| 22. FAR 52.236-17 | Layout of Work (Apr 1984)* |
| 23. FAR 52.236-21 | Specifications and Drawings for Construction (Feb 1997)* |
| 24. FAR 52.244-6 | Subcontracts for Commercial Items and Commercial Components (Oct 1998)* |
| 25. FAR 52.249-10 | Default (Fixed Price Construction) (Apr 1984)* |
| 26. DEAR 952.204-2 | Security (May 2002)* |
| 27. DEAR 952.204-70 | Classification/Declassification (Sep 1997)* |
| 28. DEAR 952.208-70 | Printing (Apr 1984)* |
| 29. DEAR 952.227-9 | Refund of Royalties (Feb 1995)* |
| 30. DEAR 952.227-11 | Patent Rights – Retention by the Contractor (Short Form) (Feb 1995)* |
| 31. DEAR 952.227-13 | Patent Rights – Acquisition by the Government (Sep 1997)* |
| 32. DEAR 952.247-70 | Foreign Travel (Dec 2000)* |

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| 33. DEAR 952.250-7 | Nuclear Hazards Indemnity Agreement (Jun 1996)* |
| 34. DEAR 970.5204-1 | Counterintelligence (Dec 2000)* |
| 35. DEAR 970.5227-1 | Rights in Data – Facilities (Dec 2000)* |
| 36. DEAR 970.5227-8 | Refund of Royalties (Dec 2000)* |
| 37. DEAR 970.5229-1 | State and Local Taxes (Dec 2000)* |
| 38. DEAR 970.5232-3 | Accounts, Records, and Inspection (Dec 2000)* |

Applicable to all orders over \$2,000

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| 39. FAR 52.222-6 | Davis-Bacon Act (Feb 1995)* |
| 40. FAR 52.222-7 | Withholding of Funds (Feb 1988)* |
| 41. FAR 52.222-8 | Payrolls and Basic Records (Feb 1988)* |
| 42. FAR 52.222-9 | Apprentices and Trainees (Feb 1988)* |
| 43. FAR 52.222-10 | Compliance with Copeland Act Requirements (Feb 1988)* |
| 44. FAR 52.222-11 | Subcontracts (Labor Standards) (Feb 1988)* |
| 45. FAR 52.222-12 | Contract Termination - Debarment (Feb 1988)* |
| 46. FAR 52.222-13 | Compliance with Davis-Bacon and Related Act Regulations (Feb 1988)* |
| 47. FAR 52.222-14 | Disputes Concerning Labor Standards (Feb 1988)* |
| 48. FAR 52.222-15 | Certification of Eligibility (Feb 1988)* |

Applicable to all orders over \$2,500

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| 49. FAR 52.222-3 | Convict Labor (Aug 1996)* |
| 50. FAR 52.225-13 | Restrictions on Certain Foreign Purchases (Jul 2000)* |

Applicable to all orders over \$10,000

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| 51. FAR 52.222-20 | Walsh-Healy Public Contracts Act (Dec 1996)* |
| 52. FAR 52.222-21 | Prohibition of Segregated Facilities (Feb 1999)* |
| 53. FAR 52.222-26 | Equal Opportunity (Feb 1999)* |
| 54. FAR 52.222-27 | Affirmative Action Compliance Requirements for Construction (Feb 1999)* |
| 55. FAR 52.222-35 | Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (Apr 1998)* |
| 56. FAR 52.222-36 | Affirmative Action for Workers with Disabilities (Jun 1998)* |
| 57. FAR 52.222-37 | Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (Jan 1999)* |

Applicable to all orders over \$25,000

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| 58. FAR 52.209-6 | Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Jul 1995) |
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Applicable to all orders over \$100,000

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| 59. FAR 52.203-5 | Covenant Against Contingent Fees (Apr 1984)* |
| 60. FAR 52.203-6 | Restrictions on Subcontractor Sales to the Government (Jul 1995)* |
| 61. FAR 52.203-7 | Anti-Kickback Procedures (Jul 1995)* |
| 62. FAR 52.203-8 | Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Jan 1997) |
| 63. FAR 52.203-12 | Limitation on Payments to Influence Certain Federal Transactions (Jun 1997)* |
| 64. FAR 52.215-2 | Audit and Records-Negotiation (Jun 1999)* |

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| 65. FAR 52.222-4 | Contract Work Hours and Safety Standards Act-Overtime Compensation (Sep 2000)* |
| 66. FAR 52.223-14 | Toxic Chemical Release Reporting (Oct 2000)* |
| 67. FAR 52.227-1 | Authorization and Consent (Jul 1995) |
| 68. FAR 52.227-2 | Notice and Assistance Concerning Patent and Copyright Infringement (Aug 1996)* |
| 69. FAR 52.242-13 | Bankruptcy (Jul 1995)* |
| 70. DEAR 952.209-72 | Organizational Conflicts of Interest (Jun 1997)* - Alternate 1 |
| 71. DEAR 970.5227-4 | Authorization and Consent (Aug 2002)* |
| 72. DEAR 970.5227-5 | Notice and Assistance Regarding Patent and Copyright Infringement (Aug 2002)* |

Applicable to all orders over \$500,000

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| 73. FAR 52.230-2 | Cost Accounting Standards (Apr 1998)* |
| 74. FAR 52.230-3 | Disclosure and Consistency of Cost Accounting Practices (Apr 1998)* |
| 75. FAR 52.230-6 | Administration of Cost Accounting Standards (Nov 1999)* |
| 76. DEAR 952.226-74 | Displaced Employee Hiring Preference (Jun 1997)* |
| 77. DEAR 970.5226-2 | Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Dec 2000)* |

Applicable to all orders over \$550,000

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| 78. FAR 52.215-10 | Price Reduction for Defective Cost or Pricing Data (Oct 1997)* |
| 79. FAR 52.215-11 | Price Reduction for Defective Cost or Pricing Data-Modifications (Oct 1997)* |
| 80. FAR 52.215-12 | Subcontractor Cost or Pricing Data (Oct 1997)* |
| 81. FAR 52.215-13 | Subcontractor Cost or Pricing Data-Modifications (Oct 1997)* |
| 82. FAR 52.215-15 | Pension Adjustments and Asset Reversions (Dec 1998)* |
| 83. FAR 52.215-18 | Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct 1997)* |
| 84. FAR 52.215-19 | Notification of Ownership Changes (Oct 1997)* |

Applicable to all orders over \$1,000,000

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| 85. FAR 52.219-9 | Small Business Subcontracting Plan (Oct 2000) (Alternate II – Jan 1999)* |
| 86. FAR 52.236-1 | Performance of Work by the Contractor (Apr 1984)* |
| 87. FAR 52.225-11 | Buy American Act – Balance of Payments Program – Construction Materials under Trade Agreements (Feb 2000) Contract* |

PART IV

SPECIAL PROVISIONS

Except as specifically changed in the Contract documents or below, Special Provisions are as set forth in CH2M Hill Hanford Group, Inc., On-Site Work Provisions, Revision 0b, 2/12/04, incorporated herein by reference. This document is available at the following Website: <http://www.hanford.gov/chgcp/> .

In addition to the above, the following special provision is applicable to this Contract:

Limitation of Funds

1. Although the parties hereto have negotiated a firm fixed price of \$_____ for this Contract, (hereafter referred to as the Contract), they understand that sufficient funds for the full scope of the work are not available. It is anticipated that from time to time, additional funds will be obligated to this Contract until the total estimated price of said Contract is obligated.
2. The amount presently available for payment and allotted to this Contract is **\$2,300,000**, expected to cover performance from the date of award through **September 30, 2004**. Contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable under the Contract, approximates, but does not exceed the total amount actually allotted on the Contract.
3. Contractor shall notify CH2M HILL, in writing whenever it has reason to believe that the costs it expects to incur under this Contract in the next 30 days, when added to all costs previously incurred, will exceed 85 percent of the total amount so far allotted to this Contract. The notice shall state the estimated date when such allotted amount will be reached and estimated amount of additional funds required to continue performance for the period specified in the schedule. If after such notification, additional funds are not obligated by the end of estimated reach date or by an another agreed date, the Buyer shall upon Contractor's written request, terminate this Contract on the performance end date or the date set forth in the request, whichever is later, pursuant to the provisions of the Termination clause of this Contract.
4. Except as provided by other provisions of this Contract, specifically citing and stated to be an exception to this clause:
 - a. CH2M HILL is not obligated to reimburse Contractor for costs incurred in excess of the total amount allotted to this Contract; and
 - b. Contractor is not obligated to continue performance under this Contract (including actions under the termination clause) or otherwise incur costs in excess of the allotted amount of this Contract, until the CH2M HILL notifies Contractor in writing that the allotted amount has been increased and specifies the revised total allotted amount.

5. No notice, communication, or representation in any form or by anyone other than that specified in subparagraph 4(b) above, shall affect the allotted amount of this Contract. In the absence of the Contractor's notification (paragraph 3 above), CH2M HILL is not obligated to reimburse Contractor for any costs in excess of the total amount allotted to this Contract, whether incurred during the course of performance period, a termination, or result of an audit.
6. When, and to the extent that the amount allotted by CH2M HILL is increased, any excess costs the Contractor incurred before this modification shall be allowable to the same extent as if incurred afterward, unless this Contract was terminated.
7. Change orders shall not be considered an authorization to exceed the allotted amount specified in the schedule, unless they identify an increased allotted amount.
8. If CH2M HILL does not allot sufficient funds to allow completion of the work, Contractor is entitled to a percentage of the fee specified in this Contract equaling the percentage of completion of the work contemplated by this Contract.

CH2M HILL HANFORD GROUP, INC.

ON-SITE WORK PROVISIONS

Revision 0b

2-12-04

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1.0 PREAMBLE

- A. These On-Site Work Provisions apply to work done for CH2M HILL Hanford Group, Inc. (CH2M HILL) on the Hanford Site. All the clauses in these On-Site Work Provisions are in addition to those of the General Provisions and any other On-Site Special Provisions that may apply to this Subcontract.
- B. This Subcontract is awarded with the understanding that the goal of CH2M HILL is to establish and maintain a responsible and comprehensive program to assure that the Hanford Tank Farms are operated in a safe and environmentally acceptable manner for the protection of employees, the public, and the environment. It is the policy of CH2M HILL to use its best efforts to provide resources necessary to achieve this purpose and to cooperate with its Subcontractors, and with Federal and State agencies having an interest in environmental, safety, health and quality (ESH&Q) matters, to accomplish this goal.
- C. CH2M HILL has a goal of zero occupational injuries and illnesses. We can achieve this goal by understanding and applying the CH2M HILL safety and occupational health principles:
- All injuries and occupational illnesses can be prevented.
 - Preventing injuries is good business.
 - CH2M HILL is committed to preventing accidents and reducing exposure to hazards to a level that is as low as reasonably achievable.

- Management is responsible for providing a safe and healthy workplace.
 - Working safely is a condition of employment.
 - All operations must be performed safely or not at all.
 - All employees must be trained for the tasks performed.
 - All employees are responsible for performing work in accordance with procedures, regulations, safety rules, and safe work practices.
 - Safety and health related deficiencies must be corrected promptly.
 - A clean and orderly workplace must be maintained.
- D. Unless specifically authorized in writing by the Buyer or other person identified in the body of this Subcontract, no work shall begin until all requirements identified in these On-Site Work Provisions as being required actions prior to start of work are met.

Daily work schedules and facility operations are NOT consistent on the Hanford Site. In addition, some organizations and facilities observe alternate Friday closures. Accordingly, BEFORE scheduling work, or arriving on site, the Subcontractor shall make specific schedule arrangements for the performance of work or the delivery of services with the Buyer, and/or Buyer's Technical Representative (BTR). The Buyer will not be liable for the cost of any delays, layover, extra travel days, etc. which result from Subcontractor's failure to obtain a specific schedule in advance.

2.0 INTEGRATION OF ENVIRONMENT, SAFETY, HEALTH AND QUALITY (ESH&Q) INTO WORK PLANNING AND EXECUTION [DEAR 970.5223-1 (DEC 2000)] [DEVIATION]

2.1 General

- A. For the purposes of these ON-SITE WORK PROVISIONS:
1. The term **safety** encompasses environment, safety, health, and quality including pollution prevention, waste minimization, nuclear safety, and radiological protection.
 2. The term **employee** includes both Subcontractor and lower tier subcontractor employees.
 3. The term **Safety Management System** (System) refers to the CH2M HILL Integrated Environment, Safety & Health Management System (ISMS) Description for CH2M HILL.
 4. The term **Subcontractor** refers to the company, person or organization performing work under this Subcontract.
 5. The term **Buyer** shall mean the Buyer's Contracting Officer or authorized Purchasing Agent representing the company issuing this Subcontract.
 6. The term **Buyer's Technical Representative (BTR)** shall mean the individual responsible for providing technical direction to the Subcontractor. The BTR does not possess any explicit, apparent or implied authority to modify the Subcontract.
 7. The term **Work** shall mean supplies, services, designs and data provided by Subcontractor and its lower tier subcontractors and all work performed with respect thereto pursuant to this Subcontract.
 8. The term **Government** shall mean **DOE (Department of Energy)** when performing work under this Subcontract.
- B. When performing work under this Subcontract, or any Subcontract Release issued under this Subcontract, the Subcontractor shall perform work safely, in a manner that

ON-SITE WORK PROVISIONS

ensures adequate protection for employees, the public, and the environment, and shall be accountable for the safe performance of work. The Subcontractor shall exercise a degree of care commensurate with the work and the associated hazards. The Subcontractor shall ensure that management of ESH&Q functions and activities becomes an integral but visible part of the Subcontractor's work planning and execution processes. The Subcontractor shall, prior to the performance of work, ensure that:

1. Line management is responsible for the protection of employees, the public, and the environment. Line management includes those Subcontractor and *lower tier* subcontractor employees managing or supervising employees performing work.
 2. Clear and unambiguous lines of authority and responsibility for ensuring ESH&Q *requirements* are established and maintained at all organizational levels *documented and communicated prior to starting work*.
 3. Personnel possess the experience, knowledge, skills, *training* and abilities that are necessary to discharge their responsibilities.
 4. Resources are effectively allocated to address ESH&Q programmatic, and operational considerations. Protecting employees, the public, and the environment is a priority whenever activities are planned and performed.
 5. Before work is performed, the associated hazards are evaluated, and an agreed-upon set of ESH&Q standards and requirements are established which, if properly implemented, provide adequate assurance that employees, the public, and the environment are protected from adverse consequences.
 6. Administrative and engineering controls to prevent and mitigate hazards are tailored to the work being performed and associated hazards. Emphasis should be on designing the work and/or controls to reduce or eliminate the hazards and to prevent accidents and unplanned releases and exposures.
 7. The conditions and ESH&Q requirements to be satisfied for work *to be performed* are established and agreed-upon by the Buyer, and the Subcontractor. These agreed-upon conditions and ESH&Q requirements are requirements of the Subcontract and binding upon the Subcontractor. The extent of documentation and level of authority for agreement shall be tailored to the complexity and hazards associated with the work and shall be established in a System.
 8. *The Subcontractor's workers are actively involved in the Subcontractor's safety program, job hazard analysis, and pre-job safety reviews.*
 9. *Open and effective communication exists between the Subcontractor and the BTR to support management of ESH&Q issues and initiatives.*
 10. *Workers, fieldwork supervisors, and management continually ensure the adequacy of work processes, procedures, and equipment, and correct deficiencies when identified.*
 11. *Senior Subcontractor management is actively engaged in the implementation, feedback and improvement of the Subcontractor's safety program.*
- C. The Subcontractor shall manage and perform work in accordance with a documented System that fulfills all conditions in paragraph (B) of this clause at a minimum. The Subcontractor shall use industrial health and safety procedures governed under 29CFR1910 and 29CFR1926. The Subcontractor may use CH2M HILL procedures for this compliance. If other procedures are used, they must be approved by CH2M HILL and approval must be documented by letter prior to performing work. Documentation of the System shall describe how the Subcontractor will:
1. Define scope of work;
 2. Identify and analyze hazards associated with the work;
 3. Develop and implement hazard controls;
 4. Perform work within controls; and
 5. Provide feedback on adequacy of controls and continue to improve safety management.
- D. The Subcontractor shall submit to the *Buyer* documentation, including changes, of its System for review and approval. The Buyer will establish dates for submittal, discussions, and revisions to the System. Guidance on the preparation, content, review, and approval of the System will be provided by *the Buyer*. On an annual basis, the Subcontractor shall review and update, for CH2M HILL approval, its safety performance objectives, performance measures, and commitments. Resources shall be identified and allocated to meet the safety objectives and performance commitments as well as maintain the integrity of the entire System. Accordingly, the System shall be integrated with the Subcontractor's business processes for work planning, budgeting, authorization, execution, and change control.
- E. The Subcontractor shall comply with, and assist the *Buyer* in complying with, ESH&Q requirements of all applicable laws, regulations and directives. *The Buyer also has identified specific requirements applicable to this work scope in the specifications of this Subcontract. The Subcontractor shall meet all these requirements, including any additional requirements, which the Subcontractor identifies.* The Subcontractor shall cooperate with Federal and non-Federal agencies having jurisdiction over ESH&Q matters under this Subcontract. *Where a conflict exists between regulations, requirements or standards, the Subcontractor shall bring the conflict to the attention of the BTR and Buyer, who shall resolve the conflict.*
- F. The Subcontractor shall promptly *identify*, evaluate and communicate to the BTR and Buyer any noncompliance with applicable ESH&Q requirements, *and the System, if applicable.* If the Subcontractor fails to provide the necessary communication to the BTR and Buyer or if, at any time, the Subcontractor's acts or failure to act causes substantial harm or an imminent danger to the environment or health and safety of employees or the public, the Buyer may issue an order stopping work in whole or in part. Any stop work order issued by the Buyer under this *provision* (or issued by the Subcontractor to a lower tier subcontractor in accordance with 2.1 of this *provision*) shall be without prejudice to any other legal or contractual rights of the Buyer. In the event that the *Buyer* issues a stop work order, *the Buyer must issue* an order authorizing the resumption of the work *before work may resume*. The Subcontractor shall not *necessarily* be entitled to an extension of time or additional costs, fee or damages by reason of, or in connection with, any work stoppage ordered in accordance with this provision. *See Paragraph 11 for additional requirements regarding stop work and shutdown orders.*
- G. The Subcontractor is responsible for compliance with the ESH&Q requirements applicable to this Subcontract regardless of whether the performer of the work is the Subcontractor or a lower tier subcontractor. The Subcontractor is responsible for flowing down the ESH&Q requirements applicable to this Subcontract to *lower tier* Subcontractors to the extent necessary to ensure the Subcontractor's compliance with the requirements.
- H. The Subcontractor shall include a clause substantially the same as this *provision* in *lower tier* subcontracts involving complex or hazardous work on site at a GOVERNMENT-owned or GOVERNMENT-leased facility. Such lower tier subcontracts shall provide for the right to stop work under the conditions described in Paragraphs, 2.1.F and 11. Depending on the complexity and hazards associated with the work, the Subcontractor may require the subcontractor to submit a System for the Subcontractor's review and approval.

ON-SITE WORK PROVISIONS

2.2 Specific Requirements: (Unless superseded by specific requirements elsewhere in this Subcontract, the Subcontractor shall comply with the following minimum requirements:)

- A. CH2M HILL Safety requirements for the specific work scope will be determined based on a preliminary hazard assessment(s) and provided to the Subcontractor as an attachment or embedded in the Statement of Work.
- B. Prior to commencing the on-site work, the Subcontractor shall identify a member of its staff as its "Safety Representative." This individual shall have the authority and responsibility to ensure full implementation of the Subcontractor's Safety Plan and to identify and correct any unforeseen hazardous or unsafe conditions, acts or instances of noncompliance. The Subcontractor shall submit the name of the Safety Representative to the BTR and to the Buyer for approval.
- C. The Subcontractor and all lower tier subcontractors who perform work on the Hanford Site shall obtain the following occupational medical services from the Hanford Environmental Health Foundation (HEHF): occupational medical evaluations, including return to work evaluations and work restriction reviews; medical surveillance evaluations; occupational primary care; health care center/first aid; work conditioning, care management, work site health programs including blood-borne pathogens and immunizations; behavioral health services, including employee assistance programs; and health information services, including services such as medical records and scheduling. The Subcontractor shall coordinate with the CH2M HILL Safety and Health Department with regard to these services.
- D. The Subcontractor shall ensure that Industrial Hygiene (IH) exposure monitoring equipment brought to the site is calibrated, maintained, and operated in accordance with sound IH practices to ensure data obtained is legally and technically defensible. Subcontractor shall use the data collection forms provided by the BTR and ES&H Team, and at the request of the Buyer's ES&H Team, the Subcontractor shall provide any additional calibration and maintenance history for the equipment. The Subcontractor shall assure that samples collected in airborne contamination areas are submitted to nationally accredited analytical laboratories, approved to accept IH samples. Cost of replacement or decontamination of IH monitoring equipment that has been radiologically contaminated such that it cannot be released to the operator will be borne by the Subcontractor.
- E. Material Safety Data Sheets (MSDS), for hazardous chemicals (as defined by 29 CFR 1910.1200) which will be used during the work activity, shall be provided to the BTR and Buyer's Nuclear Operations Waste Management Services representative and approved by the CH2M HILL Safety and Health Department prior to bringing on Site. (See paragraph 3.0 HAZARDOUS MATERIALS/WASTE below.)
- F. While on the Hanford Site, the Subcontractor shall operate motor vehicles only on hard-surfaced or gravel roads unless prior approval is obtained from the BTR. During high fire hazard periods, the Subcontractor shall adhere to all restrictions of off-road travel, which include, but are not limited to, requiring vehicles to carry fire extinguishers, shovels and radio communications. The BTR and Buyer reserve the right to ban all off-road travel during extreme fire hazard periods.
- G. The Buyer determines if a post-award/pre-job meeting is required. The scope of this meeting will be conducted on a graded approach based on the nature of the work. Topics of discussion will include at a minimum CH2M HILL procedures, orientation and training requirements, job hazards, and communication protocols. A walk down of the job site may be included.
- H. Any crane, hoist, or rigging operation shall be governed by HNF-IP-0842, Volume IX, Section 4.11, "Hoisting and Rigging", or an equivalent Subcontractor procedure approved by CH2M HILL. Compliance with DOE-RL-92-36, "Hanford Site Hoisting and Rigging Manual" is required.

- I. The Subcontractor shall use the Energized Electrical Work Control process or submit an equivalent for CH2M HILL Industrial Safety and Health approval.

2.3 Required Notifications

- A. The Subcontractor shall immediately notify the Buyer and the CH2M HILL Safety and Health Department of any occupational injury, illness.
- B. The Subcontractor shall immediately notify the Buyer, BTR, and the CH2M HILL Safety and Health Department for any deviation from a planned or projected activity that has a potential environmental, health, safety or quality significance.
- C. The Subcontractor shall immediately notify the Buyer and CH2M HILL Safety and Health Department of any employee occupational exposure (either measured or estimated) to toxic substances (e.g., chemical hazards), harmful physical (e.g., noise, laser light, ergonomic, etc.) agents, or hazards, that exceed the Occupational Safety and Health Administration (OSHA) Permissible Exposure Limit (PEL), or trigger level, the American Conference of Governmental Industrial Hygienist (ACGIH) Threshold Limit Value (TLV), or 10 CFR 835 Occupational Radiation Protection Standards.
- D. The Subcontractor shall immediately notify the Buyer and BTR of any requests from or notifications to external agencies and/or regulators, required as a result of employee exposure.
- E. The Subcontractor shall immediately notify the BTR and the CH2M HILL Safety and Health Department, not less than five working days prior to bringing to the Tank Farms any equipment of the type indicated below so that the BTR may arrange for a safety inspection, as appropriate. Equipment on which the CH2M HILL Safety and Health Department may perform a safety inspection includes, but is not limited to, the following:
 - 1. Cranes, derricks, hoists, forklifts and manlifts.
 - 2. Earth moving equipment.
 - 3. Off-highway motor vehicles.
 - 4. Pile driving equipment.
 - 5. Rock drilling, core drilling, well drilling and similar equipment.
 - 6. Pressure vessels and/or equipment supplied with pressure vessels, either fired or unfired.
 - 7. Equipment employing "laser" techniques.
 - 8. Powder-actuated tools.
- F. Subcontractor shall provide the following documents for equipment to be inspected:
 - 1. A copy of the latest maintenance and certified inspection (as applicable) with expiration date.
 - 2. Manufacturer's specification and/or recommendations.
 - 3. Load rating charts and other information as applied to cranes and hoists.
 - 4. Hydrostatic test certification (if applicable).
 - 5. Qualified operator certifications.
- G. Equipment presented for inspection shall have all required protective equipment installed when inspected. Warnings and postings shall also be in place.

2.4 Investigation Support

- A. The Subcontractor shall cooperate in the conduct of accident investigations, including submission of a comprehensive report of any accident and shall cooperate as appropriate in the conduct of investigations relating to recordable injuries/illnesses and property damage.
- B. Equipment involved in an accident resulting in an injury, shall not be moved until the BTR releases such equipment, except where removal is essential to prevent further environment / property damage or injury/illness. Where necessary to remove the injured, such equipment may be moved only to the extent of making possible such removal.

ON-SITE WORK PROVISIONS

2.5 Reporting and Record keeping

- A. If the Subcontractor's on-site workforce includes 10 or more employees, or if the Subcontractor's work involves the use of equipment as listed in 2.3.E above, the Subcontractor shall maintain a log and summary of all recordable occupational injuries and illnesses. For this purpose, OSHA Form Number 300 shall be used. The log and summary shall be completed in the detail provided in the Form and instructions on OSHA Form Number 300, in compliance with Occupational Safety and Health Standards 29 CFR 1904.
- B. The Subcontractor shall assure all of its employees who experience an injury or illness while performing work under this Subcontract shall report immediately to supervision to assure evaluation, proper treatment, and injury/illness documentation on CH2M HILL Injury/Illness Report (Site Forms A-6001-714), or an approved equivalent
- C. The Subcontractor shall report each month an accounting to the Buyer and CH2M HILL Safety and Health Department of all injuries/illnesses in connection with work performed under this Subcontract. The report shall identify the Subcontractor's name, Subcontract number, and total number of personnel and man-hours worked by the Subcontractor on-site during the month.
- D. In addition to monthly reporting, if the Subcontractor's on-site work force includes 10 or more employees, the Subcontractor shall submit to the CH2M HILL Safety and Health Department by the fifth (5) working day following each calendar quarter, a report on OSHA Form Number 300, or equivalent, covering all recordable injuries or illnesses in connection with this Subcontract. The report shall identify the Subcontractor's name, Subcontract number, and total number of personnel and man-hours worked by the Subcontractor during the quarter.
- E. The Subcontractor shall report property damage to or losses of GOVERNMENT owned or leased property to the Buyer and CH2M HILL Safety and Health Department, regardless of cause.
- F. The Subcontractor shall provide the BTR and CH2M HILL Safety and Health Department, copies of safety inspections, audits, and assessments performed under this Subcontract. In addition, the Subcontractor shall provide the Buyer all employee occupational exposure records. Employee occupational exposure records include workplace monitoring or measuring of a toxic substance, radiological material, or harmful physical agent including personal, area, grab, wipe or other forms of sampling, as well as, related collection and analytical methodologies, calculations and other background data relevant to interpretation of the results. The Buyer shall provide the Subcontractor the appropriate exposure data collection forms. Title to employee occupational exposure records shall be vested in GOVERNMENT.
- G. The CH2M HILL Employee Concerns Program is available for use by all Subcontractor personnel working on site for the reporting of issues/concerns related to safety, health, environmental protection, quality, security or illegality. Issues should be raised through CH2M HILL project management if possible, or made directly to the Employee Concerns Office at phone numbers posted on site. Concerns may also be submitted anonymously by calling (509) 373-5444.

2.6 Site-Wide Qualification and Training

The Subcontractor shall ensure that its personnel meet and maintain the appropriate training, qualification, and certification requirements for the scope of work. CH2M HILL-specific training requirements to safely perform this work will be identified by the Buyer, in accordance with the Tank Farm Subcontractor Qualification and Training Plan, RPP-MP-011. The Subcontractor shall ensure that training requirements are identified, understood, and personnel trained prior to initiating work under this Subcontract.

The Subcontractor shall provide, at the request of the BTR, a list of qualified Subcontractor personnel working under this Subcontract.

3.0 HAZARDOUS MATERIALS/WASTE

- A. Hazardous materials used and hazardous waste generated onsite by the Subcontractor shall be transported, managed, handled, and otherwise treated, stored and disposed of in accordance with (i)

applicable Federal, State of Washington, and local statutes, rules, regulations, and ordinances; (ii) applicable CH2M HILL Policies and Procedures; and (iii) Subcontractor's established handling and management procedures, which are subject to review and approval by the BTR and Buyer prior to performance. The Buyer also reserves the right to review and approve hazardous materials prior to use onsite and require product substitution of less hazardous or nonregulated materials. Subcontractor shall minimize waste generation and prevent pollution as practicable, and report the results of such efforts to the BTR.

- B. Subcontractor shall supply a list of, and MSDS for, all hazardous materials brought onsite. Subcontractor shall keep the list current, and shall provide the list to the BTR on a quarterly basis. Subcontractor shall communicate the information required under the Federal Emergency Planning and Community Right-to-Know Act (including quantities used, dates brought onsite, types of containers, and locations of storage) to the BTR and Buyer. Subcontractor also shall make available at each location, and review with its personnel, information contained in MSDSs for the hazardous materials to be used there.
- C. Subcontractor is responsible for reporting and remediating hazardous material and hazardous waste spills and other releases in accordance with (i) Federal, State of Washington, and local statutes, rules, regulations, and ordinances; and (ii) applicable CH2M HILL Policies and Procedures. Notwithstanding this provision, CH2M HILL can assume responsibility for remediation at its election.

4.0 SECURITY

The Subcontractor shall comply with the following security instructions and requirements:

4.1 Badge Requirements

- A. Any person assigned to work in a Protected; Limited or Property Protection Area or any CH2M HILL facility shall be required to wear a security badge identifying himself/herself. If any such persons are foreign nationals, special procedures shall apply when applying for and receiving a security badge. Subcontractor shall comply with all badging, training, and procedural requirements, as directed by the Buyer. The identification badge shall be worn in plain view, above the waist, on the front of the body. If required, a dosimeter will be issued in conjunction with the security badge. [Ref. DOE Order 5632.1C, "Protection and Control of Safeguards and Security Interests"]
- B. The CH2M HILL Buyer will authorize badges for subcontractor personnel. Badges and dosimeters will be issued, after successful completion of Hanford General-Employee Training, by Hanford Security at location(s) and according to schedules provided by the Buyer. Subcontractor shall provide the Buyer the complete name (as it appears on the photo identification to be used), business address, social security number, citizenship, birth date, and the city and state of birthplace of the individual(s) requiring a security badge(s), at least two working days prior to the date the employee(s) first require the badge(s) for work performance. Each Subcontractor employee requiring a badge must appear in person with photo identification (e.g., valid driver's license) to identify himself/herself to obtain a badge. [Hanford Central Badging Office, located at the 3790 Bldg, 300 Area, hours are normally 7:00 a.m. through 4:00 p.m. regular workdays.]
- C. Subcontractor shall identify and gain Buyer advance approval to utilize a foreign national requiring a Hanford Site badge.
- D. If a Subcontractor employee loses a badge and/or dosimeter, he/she shall report the loss immediately upon discovery to the Hanford Patrol, Hanford Personnel Security office, the BTR, and the Buyer.
- E. Upon termination of employment or completion of the Subcontractor's work, and before final payment shall be made, all badges and dosimeters issued to Subcontractor employees shall be returned to the issuing office. The Buyer will charge the Subcontractor a \$1,000 fee for each badge or dosimeter not returned. The charge shall be deducted from payments otherwise due the Subcontractor. Refund of charges, previously collected

for badges and/or dosimeters subsequently found will not be made after the date of final payment to the Subcontractor.

4.2 Prohibited Articles

- A. Subcontractor's employees shall not personally carry, or otherwise transport or transfer, certain items of personal property onto the Hanford site or any GOVERNMENT-owned or leased facility on which the Subcontractor is performing work under this Subcontract.
1. The following categories of items are normally prohibited from work locations anywhere on the Hanford Site or in Site-associated facilities:
 - a. Dangerous weapons, ammunition, explosives, incendiary devices, or similar devices, which could cause damage or personal injury.
 - b. Controlled substances, drug paraphernalia, alcoholic beverages (including "near" and "non-alcoholic" beer).
 2. In addition to the items listed above, the following items of privately owned property are prohibited within Exclusion, Limited, and Protected Areas:
 - a. Radio transmitters and cellular telephones.
 - b. Computers and associated media.
 - c. Recording equipment (audio, video, and data).
 - d. Cameras (still, motion picture, video).
 3. Personal protective sprays are prohibited within Protected Areas.
- B. If Subcontractor, or any of its employees, needs any kind of prohibited item to meet a requirement of this Subcontract, Subcontractor shall contact the Buyer for guidance in acquiring the necessary pass.
- C. Subcontractor's employees and their vehicles, packages, or other types of containers may be subject to a search for prohibited articles at any time while performing work on/in any of the types of Hanford Site or Site-associated facilities indicated above.

4.3 Notification of Foreign Ownership, Control, or Influence

- A. Subcontractor shall immediately notify the Buyer, in detail, if any of the following factors apply:
1. If a foreign interest owns or has beneficial ownership in 5% or more of Subcontractor's company's (companies') voting securities, or has management positions such as directors, officers or executives in your company, or is in a position to control or influence the election, appointment or tenure of said management positions, or participates as interlocking directors;
 2. If Subcontractor's company owns 10% or more of any foreign interest;
 3. If Subcontractor's company is indebted to or derives income from any foreign interest;
 4. If Subcontractor's company has any Subcontracts, binding agreements, understandings, or arrangements with foreign interest(s) that cumulatively represent 10% or more of your gross income;
 5. If 5% or more of any class of Subcontractor's company's (companies') securities are held by any method which does not disclose beneficial owner of equitable title;
 6. If there are any citizens of foreign countries employed by, or who may visit Subcontractor's offices or facilities which permit them access to classified information or special nuclear material;
 7. If Subcontractor's company has any foreign involvement not otherwise covered in the above questions.
- B. Following submission of such notice, an evaluation of Subcontractor's ownership and control situation shall be made, the results of which may require the Buyer to negotiate suitable methods of controlling foreign influence relative to work being

performed under this Subcontract, or may cause the Buyer to terminate the Subcontract for the convenience of CH2M HILL.

4.4 Personnel Qualifications

- A. If work to be performed under this Subcontract requires Subcontractor personnel to acquire, or be granted, security clearances, certain information may be required to permit the government to grant the clearance(s). Typical information includes, but may not be limited to, the following:
1. Verification of U.S. citizenship;
 2. A credit check;
 3. Verification of high school degree/diploma or degree/diploma granted by an institution of higher learning within the last 5 years;
 4. Personal references;
 5. Local law enforcement checks when state or local law, statute, or regulation does not prohibit such checks.
- B. When a security clearance will be required, the Subcontractor's personnel job qualifications and suitability must be established before a request is made to the Buyer for a security clearance. The Subcontractor's personnel selected will be subject to a government background investigation and must meet eligibility requirements for access to classified matter.
- C. When Subcontractor personnel are being hired specifically for a position, which shall require a GOVERNMENT security clearance, the personnel shall not be placed in that position prior to the security clearance being granted by the GOVERNMENT.
- D. Subcontractor is responsible for maintaining satisfactory standards for employee qualifications, performance, conduct, and business ethics under its own personnel policies.

5.0 MEDICAL

- A. The Buyer will require Subcontractor's employees to undergo medical evaluations, which may include medical qualification and medical monitoring examinations at CH2M HILL's expense, excluding requirements contained in Paragraph 12.0, this provision. The need for medical examinations will be determined based on the documented evaluations by the Subcontractor and CH2M HILL's Safety and Health Department. HEHF shall perform all medical examinations required for performance of this work scope. (see also Paragraph 2.0, Integration of Environment, Safety and Health (ESH&Q) into Work Planning and Execution and 2.2.C, under Specific Requirements).
- B. In the event HEHF determines that the Subcontractor employee is medically unable to safely perform the assigned work scope, the Subcontractor shall be responsible for reassigning the employee or providing the appropriate accommodations.
- C. In the event that efforts under this Subcontract involve work in radiation zones or result in routine exposure to radioactive materials, medical related examinations may be required before, during and after the work. CH2M HILL shall provide such medical examinations at no cost to the Subcontractor.
- D. Individual occupational exposure records generated in the performance of this Subcontract will be maintained by CH2M HILL. The exposure levels received by the Subcontractor's employees will be shared with the individual, as well as the Subcontractor, at the conclusion of the Subcontract, or at the end of the year if the Subcontract goes beyond the end of the calendar year.

6.0 RADIATION PROTECTION

- A. Subcontractor shall ensure that all employees and other persons under its control comply with the requirements of the CH2M HILL Radiation Protection Program (HNF-MP-5184), as implemented by Tank Farm Radiological Control Manual (HNF 5183), and regulations pertaining to control of radiation and/or contamination as set forth herein. If the Subcontract involves work in areas that contain irradiated or contaminated equipment, Subcontractor and its employees shall be required to undergo CH2M HILL training and orientation.

- B. Subcontractors performing radiological work for CH2M HILL shall develop a Subcontractor ALARA Policy statement endorsed by the Subcontractor's Senior Executive(s). The ALARA Policy shall be issued in writing and Subcontractor line management held responsible for strictly adhering to the policy. Included in the Subcontractor's ALARA Policy will be a commitment to comply with all of the ALARA policies and procedures of CH2M HILL.
- C. Subcontractor shall ensure that individuals responsible for developing and implementing radiological measures have the appropriate education, training, and skills to discharge these responsibilities. Subcontractor is responsible to determine necessary education, training, and skills for activities as part of the System described in Section 2.1.C.
- D. CH2M HILL's policy is to conduct personnel surveys immediately upon leaving a contamination area, high contamination area, or airborne radioactivity area. The Subcontractor agrees that its employees shall submit to such a survey and, if necessary, decontamination procedures.
- E. CH2M HILL shall conduct radiological surveys on the release of equipment, tools, or other personal property brought into such areas. It should be understood by the Subcontractor that any material or equipment brought into Tank Farm Contamination Areas without prior release methodology approved by CH2M HILL may not be released, depending on CH2M HILL's determination of eligibility for release. CH2M HILL assumes no liability for such materials or equipment. CH2M HILL shall decontaminate, destroy or dispose of contaminated property.
- F. The Subcontractor shall notify the BTR and the Radiological Control Organization of the affected area in writing, prior to bringing a radioactive source, radiation generating device or radiation monitoring instrumentation that utilizes a radioactive source as a check source, "Keep Alive" source or stabilization seeds on-site. This notification will contain the off-site company name, source isotope, source activity, physical nature of the source (liquid, gas or solid), radiation dose, whether the source is shielded or unshielded, the location of source while on site, the custodian of the source (point of contact), and the arrival and departure dates. The Subcontractor will also notify the BTR and the Radiological Control Organization in writing when the source has been removed from the Hanford Site.
- G. Basic Dosimeter. Each employee of the Subcontractor and lower tier subcontractors may be issued a basic dosimeter for performance of the work under this Subcontract. Dosimeters are issued at the 3790 Building, 300 Area; from 7:00 a.m. to 4:00 p.m., Monday through Friday (excluding legal holidays). Dosimeters will be issued for the duration of a specific Subcontract or for the current calendar year. If a Subcontract performance period extends beyond the last Friday of the current calendar year, a new dosimeter must be obtained before that date.
 - 1. Dosimeters, which expire at the end of a calendar year, must be returned by January 15 of the next calendar year.
 - 2. Dosimeters may be issued for shorter periods of time or to monitor specific locations based on the requirements of the activity. The Subcontractor agrees to comply with approved site procedures for assignment of dosimetry, wearing of dosimetry, and return of dosimetry.
 - 3. All dosimeters must be returned (1) within thirty (30) calendar days after the completion of the work, (2) on or before January 15 of the next calendar year, or (3) prior to final payment under the Subcontract, whichever is earliest.

See also 4.1, "Badge Requirements."

- H. Subcontractor will use PNNL Dosimetry Services for exposure records and tracking.
- I. Instruments used by the Subcontractor for radiological monitoring will be approved by the Radiological Control Organization, calibrated, maintained, and operated in accordance with approved procedures.

- J. All Subcontractor employees entering radiological areas will be required to meet Tank Farm entry requirements, or be escorted by qualified personnel.

7.0 EMERGENCY PREPAREDNESS

The Subcontractor and any of its lower tier subcontractors performing work on the Hanford Site shall comply with the portions of the Hanford Emergency Management Plan (DOE/RL-94-02 current revision) applicable to the work being performed.

8.0 SUBCONTRACTOR FURNISHED MATERIALS AND/OR TOOLS

If Subcontractor is required to furnish, and bring on the Hanford Site, its own materials and/or tools, Subcontractor shall contact the Buyer prior to coming onto the Hanford Site and identify the specific items to be brought on site. The Buyer shall arrange for a property pass to be issued by CH2M HILL to the Subcontractor. The property pass must be issued before Subcontractor, or its employees may bring non-government owned property onto the Hanford Site or to take such property off the site. See paragraph 4.2 for handling of prohibited articles.

The Subcontractor shall not bring to the Tank Farms nor use beryllium alloy tools in the performance of work.

9.0 INSURANCE

- A. Subcontractor, as required, shall procure and maintain at its own expense, the insurance policies and coverage limits described below unless waived in writing by the Buyer. Subcontractor shall ensure that lower tier subcontractor agreements at least duplicate the insurance policies and coverage limits required of Subcontractor, if lower tier subcontractors will perform work at site, unless waived by the Buyer. The Buyer's waiver shall not apply to insurance required by statute. Subcontractor agrees to provide insurance certificate identifying the insured, Subcontract Number and the Buyer's name and company.
 - 1. Workers Compensation, Occupational Disease, Disability Benefit, and other similar employee benefit insurance required under the laws of the state that apply to the work to be performed under this Subcontract.
 - 2. Commercial General Liability Insurance, including Employers Liability and Owner's and Subcontractor's Protective and Contractual Liability, with a combined single limit of at least \$1,000,000 per occurrence for bodily injury (including death), property damage, and any other covered loss.
 - 3. Automobile Liability Insurance for all motor vehicles, including owned, non-owned, and hired motor vehicles, used by or on behalf of Subcontractor in connection with work to be performed under this Subcontract with a combined single limit of at least \$1,000,000 per occurrence for bodily injury (including death), property damage, and any other covered loss. If hazardous materials are to be transported, Subcontractor shall maintain liability insurance evidenced by ISO Form CA001 with MCS-90 and CA9948 endorsements attached.
 - 4. Tool and Equipment Insurance for all tools and equipment, including rentals, used in connection with the work to be performed under this Subcontract.
 - 5. The Subcontractor shall furnish the Buyer with satisfactory evidence of Subcontractor Provided Insurance, unless waived in writing by the Buyer, prior to commencing work to be performed under this Subcontract, with the provision that at least thirty (30) days prior written notice is given to the Buyer in the event of cancellation or material change. In addition, the following requirements apply: (i) coverage's evidenced by Subcontractor Provided Insurance policies shall be primary; (ii) such policies shall contain a Separation of Insureds clause and Waiver of Subrogation in favor of Buyer and Government; and (iii) Subcontractor shall name CHG and Government additional insureds on all such applicable policies.

11.0 EMERGENCY CLAUSE

- A. The Manager, U.S. Department of Energy, Office of River Protection (DOE-ORP) or designee shall have sole discretion to determine when an emergency situation exists as a result of facility operations within the physical boundaries defined in this Subcontract affecting personnel, public health, safety, the environment, or security. The Manager, Richland Operations Office, or designee has the discretion to determine when an emergency condition exists elsewhere on the Hanford Site that may affect DOE-ORP employees. In the event the Manager, DOE-ORP, or designee, determines such an emergency exists, the Manager, DOE-ORP, or designee, will have the authority to direct any and all activities of the Subcontractor and lower tier subcontractors necessary to resolve the emergency situation. The Manager, DOE-ORP, or designee may direct the activities of the Subcontractor and lower tier subcontractors throughout the duration of the emergency.
- B. The Subcontractor shall include this clause in all lower tier subcontracts at any tier for work performed at the Hanford Site.

11.0 SHUTDOWN AUTHORIZATION

- A. In the event of a specific imminent environmental, health, or safety hazard, identified by facility line management, U.S. Department of Energy (DOE) Facility Representatives, operators, or facility health and safety personnel over viewing facility operations, the individual or group identifying the specific imminent hazard situation shall immediately take actions to eliminate or mitigate the hazard. This shall be accomplished by directing the operator/implementer of the activity or process causing the imminent hazard to shutdown the activity or the facility or by initiating emergency response actions or other actions to protect the health and safety of the workers and the public and to protect GOVERNMENT facilities and the environment. (GOVERNMENT designated Facility Representatives provide technical oversight of operations to help line management ensure that the facilities are operated in a safe, healthful, and environmentally acceptable manner in accordance with DOE Orders and other requirements. As such, they have "Stop Work" and "Shutdown Authorization" authority.)

In the event an imminent environmental, health, or safety hazard is identified, the individual or group that identified the hazard shall coordinate with an appropriate Subcontractor official, who will direct as needed, broader shutdown actions or other actions, as required. Such mitigating actions shall be subsequently coordinated with the Manager, Office of River Protection, the facility/site DOE management, and the facility/site Subcontractor management. The shutdown direction shall be promptly confirmed in writing from the cognizant Buyer.

This authority is in addition to the Section 2.0 Clause entitled Integration of Environment, Safety, Health and Quality (ESH&Q) into Work Planning and Execution.

- B. In the event of a non-imminent environmental, health, or safety hazard identified by facility line managers, facility operators, health and safety personnel over viewing facility operations, or by independent oversight organizations, the individual or group identifying the potential environmental, health or safety hazard may recommend corrective action or facility shutdown. However, the recommendation must be coordinated with the Subcontractor management at the facility, the responsible DOE manager, and the Manager, Office of River Protection. Any written direction to shutdown operations will be issued in coordination with the Buyer.
- C. After shutdown by DOE, an operation or facility may become operational only after receiving written authorization from the Manager, Office of River Protection, or his delegated authority, in coordination with the Buyer.
- D. The Subcontractor shall provide in its purchasing system policies, practices, and procedures for flow down of appropriate requirements of this clause to lower tier subcontractors performing work on-site at a GOVERNMENT-owned or -leased facility. Such lower tier subcontracts shall provide for the right to stop work under the conditions described herein.

12.0 FEDERAL ACQUISITION CLAUSES

DEAR 970.5223-4 - WORKPLACE SUBSTANCE ABUSE PROGRAMS AT DOE SITES (DEC 2000)

- A. Program Implementation. The Subcontractor shall, consistent with 10 CFR part 707, Workplace Substance Abuse Programs at GOVERNMENT Sites, incorporated herein by reference with full force and effect, develop, implement, and maintain a workplace substance abuse program, as required. (General requirements are: Subcontract value \$25,000 or more and work involves (1) access to or handling of classified information or special nuclear materials; (2) high risk of danger to life, the environment, public health and safety, or national security; or (3) transportation of hazardous materials to or from a GOVERNMENT site.)
- B. Remedies. In addition to any other remedies available to CH2M HILL, the Subcontractor's failure to comply with the requirements of 10 CFR part 707 or to perform in a manner consistent with its approved program may render the Subcontractor subject to: the suspension of Subcontract payments, or, where applicable, a reduction in award fee; termination for default; and suspension or debarment.
- C. Lower Tier Subcontracts
1. The Subcontractor agrees to notify the Buyer reasonably in advance of, but not later than 30 days prior to, the award of any lower tier subcontract the Subcontractor believes may be subject to the requirements of 10 CFR part 707.
 2. The Subcontractor shall require all lower tier subcontracts subject to the provisions of 10 CFR part 707 to agree to develop and implement a Workplace Substance Abuse Program that complies with the requirements of 10 CFR part 707, Workplace Substance Abuse Programs at GOVERNMENT sites, as a condition for award of the lower tier subcontract. The Buyer, in conjunction with CH2M HILL Human Resources, shall review and approve each Subcontractor's program, and shall periodically monitor each Subcontractor's implementation of the program for effectiveness and compliance with 10 CFR part 707.
 3. The Subcontractor agrees to include, and require that the inclusion of, the requirements of this clause in all lower tier subcontracts, at any tier, that be subject to the provisions of 10 CFR part 707.

DEAR 952.203-70 WHISTLEBLOWER PROTECTION FOR SUBCONTRACTOR EMPLOYEES (DEC 2000)

- A. The Subcontractor shall comply with the requirements of the "DOE Contractor Employee Protection Program" at 10 CFR part 708 for work performed on behalf of the GOVERNMENT directly related to activities at GOVERNMENT-owned or leased sites.
- B. The Subcontractor shall insert or have inserted the substance of this clause including this paragraph (B) in subcontracts at all tiers, for lower tier subcontracts involving work performed on behalf of GOVERNMENT directly related to activities at GOVERNMENT-owned or leased sites.

DEAR 970.5222-1 COLLECTIVE BARGAINING AGREEMENTS-MANAGEMENT AND OPERATING CONTRACTS (DEC 2000)

When negotiating collective bargaining agreements applicable to the work force under this Subcontract, the Subcontractor shall use its best efforts to ensure such agreements contain provisions designed to assure continuity of services. All such agreements entered into during the Subcontract period of performance should provide that grievances and disputes involving the interpretation or application of the agreement will be settled without resorting to strike, lockout, or other interruption of normal operations. For this purpose, each collective bargaining agreement should provide an effective grievance procedure with arbitration as its final step, unless the parties mutually agree upon some other method of assuring continuity of operations. As part of such agreements, management and labor should agree to cooperate fully with the Federal Mediation and Conciliation Service. The Subcontractor shall include the substance of this clause in any lower

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tier subcontracts for protective services or other services performed on the GOVERNMENT-owned site, which will affect the continuity of operation of the facility.